
EVERY MAN

HIS OWN

B R O K E R.

1568/1328.

EVERY MAN

HIS OWN

BROTHER

EVERY MAN HIS OWN B R O K E R ;

O R,

A GUIDE TO THE STOCK - EXCHANGE.

IN WHICH

The several Classes of the Public Funds, commonly called the **STOCKS**, are distinctly explained ; and the Mode of Transferring, or of Buying and Selling them, is rendered intelligible for Persons desirous to transact their own Business.

The Mystery and Iniquity of **Stock-Jobbing** is laid open—The present State of the **NATIONAL DEBT**, both **PRINCIPAL** and **INTEREST** is accurately drawn up—and a great variety of new and useful Directions are given, with Tables, respecting **INDIA STOCK—BANKING—Adventuring in STATE-LOTTERIES—Preventing Losses by the destruction of Bank Notes, &c. by Fire—Legal Advice and Caution to the finders of Notes, Bills, or other Paper-Securities for Money—Rules for forming a true judgement when the Stocks will rise or fall in their prices—Caution against false intelligence—A new Table of Equation, &c.**

W I T H,

An **APPENDIX**, containing exact Lists of the Holidays—Payment of Dividends—Expences of transacting Business in the Funds—Miscellaneous Information ; and Directions to Strangers to find their way readily to the different Offices at the **BANK, SOUTH-SEA, and INDIA HOUSES.**

Quid faciunt leges, ubi sola pecunia regnat.

The **TWELFTH EDITION**, considerably improved.

By **THOMAS MORTIMER**,
Author of many approved **COMMERCIAL** and **HISTORICAL WORKS.**

L O N D O N :

Printed for **W. J. and J. RICHARDSON**, under the Royal-Exchange.

1798.

THE HISTORY OF THE
STOCK EXCHANGE

OF THE CITY OF LONDON

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OF THE CITY OF LONDON
FROM THE EARLIEST PERIODS
TO THE PRESENT TIME
BY
JAMES H. COOPER
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P R E F A C E.

THE AUTHOR of this little Manual thinks he cannot open his Preface to a new edition more properly, than by making his grateful acknowledgements for the universal, continued approbation it has met with, not only at home, but likewise in foreign countries, where it has been translated into the following languages, *German, Dutch, French and Spanish.*

At home, it has passed through ELEVEN editions, and its character has been so firmly established, that it has been quoted by counsel at the bar, in cases relative to the funds, and was occasionally referred to, as an un-

questionable authority, by the brightest luminary of the law that ever presided on the bench of justice; the late good and venerable EARL MANSFIELD.

Its general utility has now been experienced upwards of *Thirty-seven* years, by persons interested in the public funds, and it has been acknowledged, even by many sensible, candid STOCK-BROKERS, men of unblemished reputation, to be the sole check, publicly given, to the ignominious practices of the dishonest part of the fraternity, who subsist entirely on the knavish tricks carried on by those fraudulent stock-jobbing transactions, against which the public are strongly cautioned in this Treatise.

The changes that have happened in the state of the public funds; the different circumstances of the nation:

the fluctuations of public and private credit; and more especially of the great commercial concerns of the EAST-INDIA Company; with various other adventitious events, have always given the Author a fair opportunity to make considerable alterations and improvements, in every new edition he has presented to the public since the year 1761, when the first appeared: it was then only a rough sketch, in which the outlines of a more finished piece were given; but, as it was natural to expect, that the bare design of exposing the iniquities of professed Stock-jobbers, would excite every invective that malice, avarice, and disappointment could suggest, it was purposely sent forth into the world, an anonymous publication; that its enemies might have the field open for reprisals, and be at liberty

fully to controvert the truth of every proposition contained in it, without exposing themselves to disagreeable personal altercations with the Author, a circumstance which has disgraced some of our best criticisms.

His success however, exceeded his most sanguine hopes; no marks of disapprobation or censure appeared, either publicly or privately; but, on the contrary, several letters were inserted in the news-papers, and many others were received by the publishers, commending and encouraging the undertaking; corroborating facts which before rested on his single evidence, and throwing new lights on the subject: this correspondence was thankfully acknowledged; and some of the letters were inserted in former editions, but they are now laid aside, lest it should be thought to favour

more of ostentation than utility, to reprint them.

The best return the Author can make to the public for the satisfaction he has had of seeing his performance so generally circulated, and so universally esteemed, is, to render the present edition as perfect as possible; and, in order to accomplish this, he has spared no pains to obtain and publish an accurate statement of the National Debt; together with the annual interests, payable half yearly; made up to July 5th, 1798.

With respect to the East-India Company, he finds that from a variety of strange incidents, combined with different statements of the actual condition of their commerce and revenues, his observations in every edition of this work, concerning *the uncertainty of the premium on*

INDIA STOCK have been fully verified.

— In the year 1766, the infatuation of those who gamed deeply, or were otherwise largely interested in India Stock, was so great, that the Author was exposed to the ridicule of a numerous company of respectable gentlemen, at a public dinner in the city, for asserting, that India Stock would never rise to 300 per cent. So sanguine indeed were many, that they warmly insisted it would rise to 1000, yet in 1769, he ventured to predict, in a new edition of his little piece, that from many causes therein specified, the premium might sink very low indeed, if not totally subside; though, from the favourable state of the Company's affairs delivered in at the bar of the House of Lords, in 1767, the public had the greatest reason to imagine, they would be able to

support the large dividends, they then gave, for a great number of years, is not to increase them considerably ;— the event has justified his apprehensions, and several gentlemen have kindly acknowledged the benefit they derived from consulting him, and following his advice ; “ one in particular, in the month of January 1791, sent him a polite letter, with a Bank note inclosed for 100l. thanking him for having been the means of saving him some thousands ;” but as he only signs himself a *Banker of Lombard-street*, the reader is requested to pardon this digression, in favour of a grateful acknowledgement to the unknown donor : with pleasure, therefore, the subject is enlarged upon in the following sheets ; and probable conjectures are formed, from the present state of the Company’s affairs, as

to the future value of their stock for eight years to come.

— Considerable additions are made in this edition, to the instructions of the greatest utility to those who frequently transact business in the different funds.

A more ample discussion of that important subject, **PUBLIC CREDIT**, is introduced, with observations relative to bankers, especially, country bankers, occasioned by some considerable failures in that branch of business, and the astonishing increase of their number all over the kingdom, in the course of a few years.

And for the benefit of strangers, especially persons of both sexes, arriving from the country; directions are given in the Appendix, to find the way to all the Public Offices without difficulty or delay, in the benevolent intention of preventing opportunities being given to sharpers and pick-

pockets, who, whilst strangers are at a loss, and looking about them, commit their depredations on their property.

Losses of this kind have frequently happened, especially at the half-yearly periods of paying dividends. Other miscellaneous instructions are likewise thrown into the Appendix, having been communicated to the Author, after that part of the treatise in which they would otherwise have been inserted, was printed.

After having thus briefly mentioned the principal improvements made in the present edition, it may be necessary to remind the reader, of the original design of "Every Man his own Broker."

The fatal effects of stock-jobbing were so severely felt, both by the community and individuals, in the memorable year 1720, commonly called

The South-Sea Year, that, from that period to the present time, our complaints on the subject have never ceased; but it has been constant matter of debate, by what means this destructive practice could be totally suppressed; and though the circumstances of the nation became so critical, in proportion to the extension of its PUBLIC CREDIT, as to render it a delicate and difficult task to engage the legislature to enact, or our ministers to enforce, the execution of laws for that purpose; yet, through the intrepid and truly patriotic conduct of Sir JOHN BARNARD, whose memory ought to be held in the highest veneration by the citizens of London, for his long and faithful services in parliament, some regulations proposed by him, were passed into a law, in the year 1734, under the title of
"An act for the better preventing the

infamous practice of Stock-jobbing;" by which the most palpable and glaring frauds then in vogue, were indeed suppressed: the BUBBLES burst, and the RACE-HORSES of Exchange-Alley expired with the date of that act; but BULLS and BEARS still exist in full vigour. The rejected part of Sir John Barnard's scheme for the total extirpation of Stock-jobbers, was brought into parliament in the year 1773, with some alterations, and was again thrown out by the House of Lords; and such must be the fate of all schemes of the same nature, in which public registers are proposed to be kept, of those contracts in the funds made by the Brokers with each other, called *time bargains*. The just apprehension that such regulations would lay too great a restraint on the business of buying and selling, impede the free circulation, or shut the pre-

sent open market for the funds, will always be an insurmountable objection to them.

It appears then to be a self-evident proposition, that the discouragement and final suppression of Stock-jobbing must proceed from the voluntary conduct of all persons concerned in the public funds. They must be unanimous in their abhorrence of the practice, and the only way to make them so, is to convince them of the injury they sustain in their reputation and property by gaming in the funds, and thereby exposing themselves to be the dupes of Stock-jobbing Brokers, and their employers.

With this laudable view the scenes of chicanery, duplicity, and fraud, exhibited at Jonathan's Coffee-house, in Exchange Alley, the then usual rendezvous of Stock-jobbers, were painted, from the first, in true and

lively colours; in the present edition they are retouched; and some new instances of deceit are introduced.—

The scene, however, is since changed, the Brokers having built a room by subscription, opposite the Bank, and called it the **STOCK-EXCHANGE**, in which they now assemble to transact their business. Any person may enter as freely, as into any other coffee-house; but *sixpence* must be paid at the bar, by every one who does business. The reader will therefore be pleased to observe, that the word *Alley*, occasionally made use of, refers to times and events, when it was as familiar, in speaking of stock-jobbing, as *Stock-Exchange* is at present.

But the grand object of this work always was, and still is, to persuade the proprietors of our public funds to transact their own business; to make them the managers of their

own property; the only effectual method that can be taken to reduce the great number of Stock-Brokers; to diminish the extensive operations of stock-jobbing; and, in the end, to extirpate this infamous practice, which ruins many capital merchants and tradesmen, every year. The plainest and most ample instructions for buying, selling, and transferring the several funds at the respective offices, is given in this convenient pocket volume, with this view; and the Author has the satisfaction to know, that they have been followed with facility and success, by an incredible number of merchants and gentlemen: indeed, if this were not an incontestable truth, it would be difficult to account for the continual demand that has been made for a book, otherwise of little value, during such a length of time as THIRTY-

SEVEN years; or that another edition should now be required.

But it is to be understood, that there may be cases and circumstances which require the assistance of a Broker; for the universal axiom, that there is no general rule without exception, applies to this, as to all other subjects. And very far was it, and ever will it be from the Author's intention, to deprive reputable Stock Brokers of their legal business, or to diminish the emoluments they ought to derive from it.

On the contrary, he takes this opportunity to recommend the employment of Brokers to all persons who are totally unknown at the Public Offices, for the dreadful forgeries committed of late years, has rendered the following regulation essentially necessary. "Every person selling out any capital, in any of the funds,

ought to be known to be the identical person he describes himself to be, in the warrant he delivers into the clerks, who are to make the transfer, otherwise it cannot be completed, nor the purchase money paid; for it will be the duty of the witnessing clerk, not to sign his attestation, without some person present, ascertaining that the seller is the real proprietor of the property about to be alienated; and the great concourse of people attending at most of the offices, during the hours of transfer, may render it very inconvenient to introduce the friends of the seller within a limited time for transacting business; a Broker therefore, is the proper agent, on such occasions. With respect to buying, the same necessity does not exist. For infirm persons, the assistance of a Broker will likewise be requi-

site, because all the preparations for transacting the business of either buying or selling, should be completed, so as to leave them nothing to do, but to sign their names to the transfers, and receipts, that they may avoid the fatigue of long attendance; and the pressure of crowded assemblies. However, great care should be taken to employ such Brokers as are well recommended by bankers, merchants, or other respectable characters; for it will be shewn in the course of this Treatise, that it is almost impossible for a jobbing Broker, to give any gentleman candid and disinterested advice, when to buy in to, or sell out of the funds.

In fine, for this, and many other important reasons, a distinct and clear account of all the arts of stock-jobbing are given in the following pages, but not with any design to make gen-

gentlemen turn jobbers; and therefore, though the learning the method of transferring at the books, is the high road to stock-jobbing, it is hoped the sensible reader, who may only want to lay out his own money, or his friends, in the funds; or to sell out of them, as his various occasions may require; will be content with this knowledge, and go no farther; for though he will find every requisite instruction here for walking the STOCK EXCHANGE, yet, as there are every day some new scenes of iniquity contriving behind the curtain, it is impossible for any man to insure success; having to contend against superior skill, concealed artifice, or the advantages of daily experience, and of constant attendance to watch every turn of the market.

*** * Letters to the Author, Post-paid, will
be forwarded to him, by the Pub-
lishers, Messrs. W. J. and J. Rich-
ardson, under the Royal Exchange.**

Letters to the Admiralty, 1794, with
 be forwarded to him by the Post-
 Office, Messrs. W. J. and J. Harris,
 agents, under the Royal Warrant.

A Table of Equation,

Exhibiting the comparative Value *per Cent.* of the several Public Funds, in Proportion to the different Rates of Interest they bear—and to the current Price at the Stock Exchange, on any given Day, or Year.

Bank Consols 3	S. Sea Stock. 3½	Bank Consols 4	Bank Consols 5	Bank Stock. 7	India Stock. 10½	Annual Interest.		
3prCents at 48, are equal	to at					£	s	d
	56	64	80	112	168	6	5	0
49½	57¼	66	82½	115½	173¼	6	1	2
51	59½	68	85	119	178½	5	17	7
52½	61¼	70	87½	122½	183¾	5	14	3
54	63	72	90	126	189	5	11	1
55½	64¼	74	92½	129½	194¼	5	8	1
57	66½	76	95	133	199½	5	5	3
58½	68¼	78	97½	136½	204¾	5	2	6
60	70	80	100	140	210	5	0	0
61½	71¼	82	102½	143½	215¼	4	17	6
63	73½	84	105	147	220½	4	15	2
64½	75¼	86	107½	150½	225¾	4	13	0
66	77	88	110	154	231	4	10	10
67½	78¾	90	112½	157½	236¼	4	8	10
69	80½	92	115	161	241½	4	6	11
70½	82¼	94	117½	164½	246¾	4	5	1
72	84	96	120	168	252	4	3	4
73½	85¼	98	122½	171½	257¼	4	1	7
75	87½	100	125	175	262½	4	0	0
76½	89¼	102	127½	178½	267¾	3	18	5
78	91	104	130	182	273	3	16	11
79½	92¾	106	132½	185½	278¼	3	15	5
81	94½	108	135	189	283½	3	14	0
82½	96¼	110	137½	192½	288¾	3	12	8
84	98	112	140	196	294	3	11	4
85½	99¼	114	142½	199½	299¼	3	10	2
87	101½	116	145	203	304½	3	9	0
88½	103¼	118	147½	206½	309¾	3	7	9
90	105	120	150	210	315	3	6	8

EXPLANATION.—3 per Cent. Consols, in the Month of July, 1798, were done at 48 per Cent. —that is to say, I must have given 48l. to purchase 100l. Capital in that Fund: at the same Time 5 per Cent. Consols. sold for 72½—Bank Stock at 119, and India Stock at 144½. Now, by the above table, I find, that when 3 per Cent. Consols. are at 48—5 per Cents. on an equation Scale, should be 80—Bank Stock 112—India Stock 168; and that each, in an exact Ratio will give 6l. 5s. per Cent. annual Interest—therefore, Bank Stock in July, was 7 per Cent. above its proportionate Value; 5 per Cents. 7½, below the Ratio, and India Stock 23½. The Reader's Discretion, in these Circumstances, will be his best Guide, into what Fund to purchase.

N. B. Since the great Depression of the Funds, no Equation can be made between them, and the number of Years purchase to be given for landed Estates—the Column respecting them in the Equation Table of former Editions, is therefore omitted.

EVERY MAN IN HIS OWN BROKER.

CHAPTER I.

Explanation of the Nature of the Public Funds, commonly called the Stocks—Difference clearly stated between the Stocks of Companies, and Government Annuities—Distinct Account of India Stock—Review of the Administration of the East-India Company's Affairs—Account of the Regulations of Parliament respecting them—Exact Tables of the Variations in the Prices of India Stock, for eight Years past—Calculation of the probable Value, for eight Years to come, reckoning from the present Year, 1798—Correct List of the Funds transferrable at the Bank, South Sea, and India Houses, with the Days of Transfer; and the periods when the Dividends fall due, &c.

THE national credit of Great-Britain having long since arrived at the highest degree of reputation, and her securities for the loan of money be-

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being now esteemed the best in Europe, not only by her own subjects, but likewise by all unprejudiced foreigners; a full explanation of the nature of these securities deservedly merits the attention not only of the inhabitants of Great-Britain, but of all foreigners, on whom Providence has bestowed any portion of wealth, that is not employed in commerce, or laid out in landed estates: for where will they find so safe a repository for their money, and on such advantageous terms as the public funds of England afford? Higher interest may indeed be obtained, but then the security is not so good.

A company or society of merchants, trading to any part of the world, may suffer losses of various kinds, so as to lessen the value of the principal sum advanced them, and to oblige them to lower their dividends; while, on the other hand, private securities are still more hazardous: from whence it necessarily follows, that the government securities being the safest, are the most advantageous to lay out money in.

But for want of rightly understanding these securities, great numbers of persons, especially in the remote parts of the kingdom, lose the opportunities of engaging in them, and often lend their money, to their great loss and disappointment, on hazardous private securities.

Besides the utility of being conversant in the nature of the funds, it will afford a secret satisfaction to the public in general, to see by what easy methods a free government raises the large, but necessary, annual supplies, for carrying on heavy and extensive wars; in comparison of those grievous and oppressive measures taken in despotic governments, on the same emergencies.

Surely the breast of every Englishman, possessed of monied property, must glow with rapture and admiration, when he considers, that while many thousands of unhappy subjects of the other powers engaged in the last and the present war have been totally ruined, owing to the demands made on them by their arbitrary monarchs, he

voluntarily contributed towards defraying the public expences of his country, in a manner that was so far from being burdensome to him, with respect to the large principal sums wanted yearly, that, on the contrary, he served himself at the same time, by lending his money on parliamentary security.

The same ways and means being still pursued, for raising the extraordinary sums wanted for the great exigences of the state, at the present crisis of most imminent danger, the British subject, while he is contributing his quota, by the taxes imposed upon him to pay the interest of the principal sums borrowed by government, if he is possessed of monied property, and subscribes to the annual loans, actually repays himself, and is more than *scot-free*, by the profit he makes from lending his money to the public; every loan of late years having borne a considerable *premium*, or profit, to the subscribers, when brought to market.

HIS OWN BROKER.

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The GOVERNMENT FUNDS, transferrable at the BANK of ENGLAND, are

	Transfer Days.	Dividenda when Due.
5 per Cent. Navy Anns.	Mon. <i>Wd.</i> Fri.	} Jan. 5th and July 5th
3 per Cent. Consols . . .	Tu. <i>W.</i> Th. F.	
3 per Cent. 1726	Tues. and Th.	
5 per Cent. 1797	Tues. Th. Fri.	} April 5 and Octo. 10
4 per Cent. Consols . . .	Tues. Th. Sat.	
3 per Cent. Reduced . .	Wed. Th. Fri.	
Long Annuities	Mon. <i>Wed.</i> Sa.	Expire 1850
Short Annuities	Mon. <i>Wed.</i> Fr.	Expire 1803
3 per Cent. Imp. Anns.	Mon. <i>Wed.</i> Fr.	} May 1st and Nov. 1st
Imp. Anns. for 25 Years	Tues. Th. Sat.	
5 per Cent. Irish Anns.	Tues. Th. Sat.	} Mar. 25 and Sep. 29
Irish Anns. for 25 Years	Tues. Th. Sat.	

At the SOUTH-SEA HOUSE.

3 per Ct. New S. S. Anns.	Tues. Th. Sat.	} Jan. 5th and July 5th
3 per Cent. 1751	Tues and Thu.	
3 per Ct. Old S. S. Anns.	Mon. <i>Wed.</i> Fr.	} April 5 Octo. 10

In some one, or more of these public Funds, business is transacted daily, (holidays excepted) and lists of them, together with the current prices for each day, may be had at any of the Brokers Offices, near the Royal Exchange; and at some of them may be seen stuck up at the windows after one o'clock in the afternoon. The difference between the CAPITAL STOCKS of public Companies, and the Capitals of Government Annuities, specified in the foregoing list, is next to be explained; that the public may be fully aware of the distinction, and not be misled by the general appellation of THE STOCKS, given indiscriminately to all the national FUNDS.

The word STOCK, in its proper signification, means, that capital in merchandise, or money, which a certain number of proprietors have agreed to make the foundation for carrying on an united commerce, to the equal interest and advantage of each party concerned, in proportion to the sum or share contributed by each.

A number of merchants uniting, and applying to the government for an exclusive charter, to prevent others from engaging in the same commerce, and for a power to raise money by an open subscription, in order to form their stock, or capital, are generally denominated COMPANIES.

A conjunction of three or four persons, who jointly contribute different, or equal sums towards forming a general stock to trade with, is called a CO-PARTNERSHIP; but the sum of money, or the value of the merchandises they begin trade with, is still properly called their stock; and so is the capital, with which any single man carries on his particular business.

From this definition of the term, it follows, that the application of it to the different government annuities, is highly improper, as they are absolutely public debts, and not stocks, for they are all aids granted by parliament to the government, to enable it to defray the public expences at sundry times, and on sundry occasions; and have been

borrowed of the public, on the different conditions contained in the several acts of parliament by which they were raised ; one of which conditions is, that they shall be redeemable by parliament, or, in other words, the parliament reserves a power of paying off these sums borrowed of the public. However, in all this, there is not the least shadow of stock or capital ; the principal sums so raised having been expended for public services, at the periods when they were granted : but what supplies the place of them is, NATIONAL CREDIT, on the strength of which the *National Debt* has been contracted ; and so long as the government can keep this credit in reputation, which it will always be able to do, while it can find ways and means of paying the annual interest of this debt, in the same punctual manner that it is paid at present, so long will national credit supply new capitals to the government ; and will be a better security for money than a share in the stock of any Company whatever, for reasons which I shall give in their proper place.

The stock or capital of our Public Companies has been raised by authority of parliament; and by the same authority has been confined to a limited sum; so that as soon as the sum allowed to be raised was completed, the number of proprietors was likewise ascertained and completed, and no person whatever could afterwards be admitted on the same footing; but as every proprietor had a power reserved to him, his heirs and executors, of transferring or assigning over his right in the said stock, to whom he thought proper; this laid the foundation of opening transfer-books, and of appointing particular days and hours for transferring, assigning over, and accepting, or in other words, for selling and buying of stock.

Every original share of a trading company's stock must greatly increase in value, in proportion to the advantages arising from the commerce they are engaged in; for, such is the nature of trade, in general, that it either considerably increases, or falls

into decline ; and nothing can be a greater proof of a company's trade being in a flourishing condition, than when their credit is remarkably good, and the original share in their stock will sell at a considerable premium.

No commercial company, in any part of the habitable globe, ever possessed such signal and extensive rights, privileges, and advantages as those which have been allowed by government to the **BRITISH EAST-INDIA COMPANY**, from their first establishment to the present time.

In a nation, renowned for its political freedom, successive exclusive charters have been granted to this Company, by which they have been vested with powers and privileges, seemingly incompatible with the first principles of our constitution. For instance, the territorial acquisitions they have made by conquest from, or by treaties with the Indian princes, have remained in the Company's possession, though they of right belong to the Crown ; and they have a power to prevent any of their fel-

low-subjects from going to, or settling in any part of their territories in Asia: though every English subject has a constitutional right to travel to, and fix his residence in any part of the dominions of his Sovereign.

Yet, while the public revenue of the kingdom continually receives large annual supplies from the immense imports of this Company, and the nation at large derives such manifest commercial advantages from their exportation of British manufactures, government is most assuredly justified in conniving at a monopoly, which, though it infringes on the political rights and privileges of its subjects, as individuals, contributes so largely to the real and relative riches of the State; by augmenting its capital stock in merchandize, by replenishing its public treasury, and by consuming its manufactures.

But, at different periods, this prosperous state of their affairs has been reversed; and instead of contributing either to the ge-

neral commercial interests of Great-Britain, or to the increase of her finances, the Company, in their turn, in the year 1773, required the loan of a very large sum; no less than 1,400,000*l.* to be drawn from the public treasure of the nation, for the support of their declining credit; and also found themselves reduced to the necessity of restricting their commercial operations, and of confining them for the future, within narrower limits. It then became essentially necessary for parliament to interpose, in order to put a stop to the manifold abuses of the extensive powers vested in the Company by their charter; and to prevent those infamous exertions of unlimited authority, usurpingly practised by their haughty servants abroad, in open defiance of the most positive instructions sent from home, by the Directors.

It was matter of astonishment and concern to the public, to see individuals, who had been employed but a few years in this Company's service in Asia, return home with immense fortunes, and wallow in

wealth and luxury ; while the interests of the Company were declining, notwithstanding the great profits they derived from an extensive, exclusive trade, and from the revenues of newly-acquired extensive territories. Such a strange situation of their finances could not escape the vigilance of the British legislature. Accordingly, a *select committee* of the House of Commons began an enquiry into the state of the Company's affairs, and into the management of them for some years past, both at home and abroad. From the reports of that committee to the house, it appeared, that the mismanagement of the Directors at home, and of the Company's servants in India, whose avarice was insatiable, had been the cause of reducing their affairs nearly to a state of bankruptcy ; for, without the aid of parliament, the Directors had not resources to answer the demands upon the Company. An act of parliament was therefore passed in the session of 1773, for establishing certain regulations for the better management of the affairs of the East-

India Company : in consequence of these regulations, a governor-general, assisted by four persons, his counsellors, was appointed, and vested with all the powers, military and civil of the presidency of Fort William, in Bengal ; also with the ordering, management, and government of all the territorial acquisitions and revenues in the kingdoms of *Bengal*, *Bahir*, and *Oriſſa* ; with a superintending and controlling power over the presidencies of *Madras*, *Bombay*, and *Bençoolen* ; and a supreme power of making war and peace, &c. A supreme court of judicature was likewise established for the town of Calcutta, and the factory at Fort William ; with the limits thereof and factories subordinate thereto.

It was hoped these new regulations would be a check upon the peculations of the Company's servants in India, and restore the credit and prosperity of the Company ; but, in the year 1781, complaints arrived of the oppressive exercise of the authority of the supreme court of justice, though the judges were appointed by the

King, the inhabitants subject to their jurisdiction, as well native, as British, petitioning parliament against their conduct.

By the mismanagement likewise of the governor-general and supreme council at Fort William, or the wilful disobedience of the subordinate presidencies, the Company was drawn into a dangerous war with the Mahrattas, the most powerful states of India, and with the late Heider Ali, a potent and warlike prince, who defeated a considerable force belonging to the Company; and in consequence of this, and other disasters, a *secret committee* of the House of Commons was appointed, in the session of the year 1781, which continued sitting in 1782 and 1783, to enquire into the true cause of that war, and into the actual state of the Company's affairs. The reports from that committee have been published; and it was expected some capital delinquents would have been called to account: however, after various well-known debates and contests in parliament, the total result of the enquiry was, the passing an

act in the year 1784, intituled, *An act for the better regulation and management of the affairs of the East-India Company, and of the British possessions in India ; and for establishing a court of judicature for the more speedy and effectual trial of persons accused of offences committed in the East-Indies.* By this act, government has subjected the direction of the East-India Company's affairs at home, and of their servants abroad, to such a controlling power vested in the hands of the ministry for the time being, and of the King in council, that it is almost morally impossible for the Directors to be guilty of such shameful mismanagement as heretofore, or for their servants in India, to enrich themselves at the expence of the Company, and of the Indian princes. At the same time, another act was passed, for the relief of the Company, with respect to the state of their cash account ; by which the debts they owe to government, for custom-house duties and other demands, were postponed ; and time granted to discharge the bills of exchange drawn upon

them from their settlements abroad, which were either actually due, or to become due in a short time. This indulgence extended to the year 1790, before which time, if the peace continued in India and in Europe, it was imagined the company would have discharged all pecuniary demands upon them, at home and abroad, and would have such a balance in hand, as to enable them to continue, if not to increase their dividend, which was then *eight per cent.*

But, that the true design of giving this detail of the Company's affairs may be completed—which is, to advise and guide the monied man in his transactions with respect to the funds of this Company, in order to prevent his being allured by false appearances and false hopes to game deeply in them, or to purchase at very high premiums—it will be necessary to go back to the year 1766; when such was the spirit of jobbing in India stock, that some brokers in the alley, and other interested persons out of it, propagated a report, soon after the news arrived of Lord Clive's

success in India, that the Company would be able, from their prodigious profits, to divide 50 *per cent. per annum*, in consequence of which India stock rose to 263, in the beginning of May, 1767, the general court declaring a dividend on the 6th of May of 6½ *per cent.* for the half year commencing at Midsummer, and ending at Christmas, 1767. No limitation being at that time fixed to their dividends, it is impossible to say to what height this madness might have run, if parliament had not wisely interfered to prevent it, by an act obliging the Directors of the Company to rescind the vote of the 6th of May, and to limit their annual dividends to 10 *per cent.* But for this event, we should have had a revival of the calamities of the *South-Sea bubble* in 1720. For such was the infatuation previous to the interposition of parliament, that the author of this book was ridiculed in public company for asserting that India stock would never rise to 300; most of the gentlemen present, contending

that it would be worth, and rise to, 8 or 900, if not 1000*l.* *per cent.*

We have already noticed what passed in parliament in 1773. In 1774, the *eighth* edition of this work was published, and several accounts having been transmitted to the author through the hands of his publisher, demonstrating that very deep gaming was still carrying on in India stock, to the ruin of the unwary, he thought he could not perform a more acceptable service to the public, than by inserting in his next edition — lists of the variations in the prices of India stock during the eight preceding years, which included the periods of the greatest revolutions in the affairs of the Company — specifying the variations, and the *medium* or *average* price in each year. — Also a deduction from these tables, and the situation of the Company's affairs in 1774, of the probable *medium* price for the ensuing eight years. The period of that calculation expired on the 1st of January, 1781. It is therefore unnecessary to reprint that calculation, or the lists inserted

in former editions ; but, in order to shew what prodigious sums must have been won and lost by jobbing in India stock, between the years 1766 and 1773, inclusive, the following note is preserved.

N. B. " Extreme variation in the price
" of East-India stock, in the course of eight
" years, 138 *per cent.* — being the difference
" between the highest price, *viz.* 278, in
" June, 1766, and the lowest price, *viz.*
" 140, in December, 1773. "

Let us now pass in review the prices for the last eight years, including the current year, 1798.

N. B. In the following Tables, when any months of the year are omitted, it is because little or no variation happened in them, from the prices of the preceding month.

HIS OWN BROKER.

21

1791.

January 22,	-	-	-	-	-	-	170½
February 26,	-	-	-	-	-	-	167½
March 25,	-	-	-	-	-	-	164
April 6,	-	-	-	-	-	-	160¼
18,	-	-	-	-	-	-	167½
May 7,	-	-	-	-	-	-	163½
14,	-	-	-	-	-	-	166
June 22,	-	-	-	-	-	-	167
July 5,	-	-	-	-	-	-	169
9,	-	-	-	-	-	-	164½
27,	-	-	-	-	-	-	171
August 3,	-	-	-	-	-	-	174
11,	-	-	-	-	-	-	177
19,	-	-	-	-	-	-	183
22,	-	-	-	-	-	-	186¼
September 5,	-	-	-	-	-	-	190½
23,	-	-	-	-	-	-	196
October 10,	-	-	-	-	-	-	189¼
22,	-	-	-	-	-	-	193½
November 10,	-	-	-	-	-	-	186
24,	-	-	-	-	-	-	183½

December 3,	-	-	-	-	-	-	185
16,	-	-	-	-	-	-	186½

Variations this year $35\frac{1}{2}$ per cent. being the difference between 160½, the lowest price in April; and 196, the highest price in September.

1792.

January 26,	-	-	-	-	-	-	187
February 2,	-	-	-	-	-	-	193
10,	-	-	-	-	-	-	198½
14,	-	-	-	-	-	-	209½
March 7,	-	-	-	-	-	-	212
April 26,	-	-	-	-	-	-	208
May 25,	-	-	-	-	-	-	202
June 2,	-	-	-	-	-	-	208½
July 18,	-	-	-	-	-	-	211½
August 28,	-	-	-	-	-	-	202½
September 15,	-	-	-	-	-	-	210
October 16,	-	-	-	-	-	-	211½
November 20,	-	-	-	-	-	-	203½
26,	-	-	-	-	-	-	197

HIS OWN BROKER.

23

November 30, - - - - - 185

December 13, - - - - - 171

Variations this year, 41 *per cent.* being the difference between 212, the highest price in March ; and 171, the lowest price in December.

1793.

January 3, - - - - - 186

12, - - - - - 177

March 1, - - - - - 196

26, - - - - - 205½

April 13, - - - - - 212

20, - - - - - 218

May 12, - - - - - 210

July 5, - - - - - 217

August 27, - - - - - 208

September 26, - - - - - 203

October 15, - - - - - 207½

November 23, - - - - - 210½

Variations this year, 41 *per cent.* being the difference between 218, the highest price in April ; and 177, the lowest price in January.

1794.

January 15,	- - - - -	207
24,	- - - - -	199½
February 19,	- - - - -	201½
March 14,	- - - - -	203½
April 25,	- - - - -	208½
June 9,	- - - - -	211
26,	- - - - -	206½
July 23,	- - - - -	199
August 26,	- - - - -	197½
September 26,	- - - - -	192½
October 20,	- - - - -	184½
November 24,	- - - - -	194½
December 18,	- - - - -	187

Variations this year, 24 per cent. being the difference between 211, the highest price in June; and 187 the lowest price in December.

1795.

January 21,	- - - - -	180½
February 10,	- - - - -	184
March 4,	- - - - -	181½
April 23,	- - - - -	193
May 22,	- - - - -	194
June 17,	- - - - -	200½
July 9,	- - - - -	204½
24,	- - - - -	196½
August 13,	- - - - -	203
27,	- - - - -	198½
November 23,	- - - - -	201½
December 9,	- - - - -	213
16,	- - - - -	219½

Variations this year, 38½ *per cent.* being the difference between 180½, the lowest price in January; and 219½, the highest price in December.

1796.

January 2,	- - - - -	216
9,	- - - - -	219
21,	- - - - -	213½
February 1,	- - - - -	212
March 2,	- - - - -	215½
May 24,	- - - - -	205
June 13,	- - - - -	192½
July 6,	- - - - -	187½
27,	- - - - -	180½
September 6,	- - - - -	172
22,	- - - - -	180½
November 7,	- - - - -	172

Variations this year 47 *per cent.* being the difference between 219, the highest price in January; and 172, the lowest price in November.

1797.

January 18,	- - - - -	168
February 13,	- - - - -	160
March 2,	- - - - -	152
May 28,	- - - - -	148½
July 8,	- - - - -	160
November 18,	- - - - -	148

Variations this year 20 *per cent.*, being the difference between 168, the highest price in January; and 148, the lowest price in November.

1798.

January 11,	- - - - -	146
February 20,	- - - - -	147
March 1,	- - - - -	149
April 20,	- - - - -	148
May } Little, or no variation, when this		
June } work went to press.		

And here let it be remarked, that, gaming in this stock has not been so excessive, during the last eight years, as in former periods; it is highly probable therefore, that the publication of the tables in the former editions, which pointed out the great danger of ruin by jobbing in a Fund, (the price of which had varied in one year, no less than 138 *per cent.*) checked the progress of such pernicious gambling. However, it should be remembered, that even in the last eight years, closing with the current year 1798, jobbing in India stock must have been a still much deeper and more hazardous game than jobbing in any other stock; the variation in it having been $73\frac{1}{2}$ *per cent.* which is the difference between 219 $\frac{1}{2}$ the highest price in December, 1795; and 146, the lowest price in January, 1798.

Having thus stated the great variations in the price of India stock for so long a period as the last eight years, let me now endeavour, from just reasoning, to point out the probable, real value of this stock for eight years to come, reckoning from the

current year, 1798. And the better to justify my conjectures concerning future times, let me make a few observations on the past and present state of the Company's affairs.

It is generally allowed, that during the peace of 1763, the Company enjoyed every advantage that could possibly accrue to any trading Company—such as an exclusive right of conducting all their concerns at home and abroad, by their own bye-laws—an unbounded, perhaps a culpable demand for all the commodities brought home by their ships—an increased demand for re-exportation to other countries—new territories, and with them, additional revenues—fresh sources of commerce, and an unlimited credit at home, carried to a degree, at one time, bordering on the South-Sea infatuation, to which the madness of the public might have made it parrallel, if parliament had not put a check to the sinister designs of certain Directors and interested Proprietors.—

What could the Company wish for, as an addition to these advantages? — Nothing, but public virtue and disinterestedness in the managers of their concerns at home; and common honesty, tinctured with humanity in their servants abroad—but both these necessary supports failing them, the superstructure nearly fell to the ground, and all the hopes of vast dividends and prodigious premiums suddenly vanished, to the great disappointment of those who purchased the stock at enormous premiums, particularly in the year 1766.

We will now put the question — Can this Company expect greater, or even so great advantages in the course of the next eight years, as those they have possessed during the last? The answer is clearly in the negative, for though the Directors have just declared a dividend of *five and a quarter per cent.* for the half year ending at *Christmas* next, which, if continued, will be *ten and a half per annum*; the uncertain issue of the present war with

France—the consequences of the recent revolution in the province of Oude, and various other circumstances, may affect the Company's affairs in India, so as to oblige them to reduce the interest again, to its old permanent standard of *eight per cent.*

From these premises then, I think we may fairly draw the following conclusions.

“ That India stock cannot be worth
“ more, upon an average, for the next
“ eight years, than *180 per cent.* allowing
“ for every advantage to be derived from
“ the acts of parliament already mentioned,
“ and for the speedy return of national
“ peace, unless the government Funds
“ should, by any unforeseen circumstance,
“ rise so rapidly as to reduce the value
“ of money to *4 per cent.* annual interest,
“ in which case, the calculations on
“ the value of India stock must be made
“ accordingly.

“ That all specious practices to raise it
“ above that price, may be considered as
“ the artifices of designing men, endeavouring to re-establish those destructive
“ jobbing contracts, which give such
“ dangerous wounds to private credit.

“ And that of all others, the trading
“ funds are the most disadvantageous to
“ buy into, when the premiums run very
“ high; and the most hazardous on any
“ stock-jobbing plan.”

We will now return from this long, but very interesting digression, and discuss the remaining subject of this chapter.

The GOVERNMENT ANNUITIES, and other securities for money, stand nearly in the same light, with respect to the first raising of the sums granted in aid of government, as the stocks of companies; that is to say—the money is raised by authority of parliament, the sum is limited; and after the subscription is full, no more contributors can be admitted. In order, therefore, to remove the inconveniences that might arise to contributors from being

obliged to keep their money constantly in the hands of government, and that those who have money to lay out, and had not an opportunity of subscribing, may be enabled to purchase of the subscribers : the same method has been taken of opening transfer-books and of appointing certain days and hours for transferring and accepting, or for buying and selling the annuities : so far the government securities, and the stocks of companies agree ; we shall now see wherein they differ.

As the government are not engaged in trade, a share in their annuities cannot bear any premium, but what will arise from the real value of such share at the time it bears a premium. To illustrate this, let us suppose that I buy at present 100*l.* share in the *three per cent. Consol. annuities* for 50*l.* the current price ; the reason I buy it so low is, that money is worth at present above *six per cent. per annum*, and I am to receive only *three per cent.* therefore I give a principal sum, in pro-

portion to the interest I am to receive. But, whenever the nation shall enjoy a general peace, during ten years, or more, my 100*l.* share in the *three per cent.* annuities, which I bought for 50*l.* may become worth 100*l.* or more; but from whence will this great profit arise? Not from the uncertain advantages of trade, but from a natural event, a long peace, which may in time lower the value of money (the government not being in want of extraordinary supplies) to such a degree, that more than *three per cent.* cannot be obtained any where, nor even that, on such good security as my share in the *three per cent.* annuities; therefore, I may be offered a premium for it on account of its intrinsic value; and that the case here supposed is founded on a precedent, may be proved by referring back to the prices of *three per cent.* annuities in the time of the Scotch Rebellion*, and comparing them

* See the London Magazine for November, 1745.

with the price of the same annuities before the commencement of the American war.

A time of peace is no security for the premium given on the stock of any trading company, because many events may happen, as easy to conjecture as to mention, by which they may sustain great losses, and which may occasion the premiums on shares totally to subside. Again, the transactions of no society whatever are so open, nor so soon known, when they concern the public, as the transactions of the British government. A number of fatal accidents may be concealed for a long time in trading societies; but a rupture with a foreign power, which is almost the only thing in time of peace that ought to affect the price of the government securities, is presently known; and consequently, as soon as the rumour of a war is spread, the person who has given a premium on annuities has an opportunity of selling at a small loss, *four or five per cent.* but whenever a long-concealed misfortune that has

happened to any trading society, comes to be divulged, or that the society takes any unexpected measures, the fall on the shares in the stock of such a society may be *twenty or thirty per cent.* in one day.

Besides, the difference between the government annuities, and the stocks of trading companies, when bought at a discount, (or under par) is very great; for should it ever happen, that the shares in the capital or stock of any trading society fall considerably under par, it may reasonably be concluded that the finances of that society are in a bad condition, and their trade on the decline; but the government annuities selling at a great discount, is only a proof of the increase of the value of money, which will always be in proportion to the demands of the State for it.

Thus he, who, at the beginning of the present war, would willingly have lent the government his money at *three and a half per cent.* would not now part with it under *five per cent.* and *douceurs*, because the wants of the State continuing, have raised

the value of money; but this is no argument, either that the finances of the State are in a bad condition, or that its credit is on the decline. On the contrary, the immense sums annually subscribed for the support of government, and the defence of the country, are demonstrative proofs of the strength of both.

The Bank annuities, and other government securities, inserted at the beginning of this chapter, together with the following Capitals, or Stocks of companies, make up the list that is commonly inserted, with their several prices, in the public newspapers, under the general title of Stocks.

COMPANIES STOCKS.

Bank stock, *seven per cent. per annum.*^a

South-Sea stock, *three and a half per cent.*^a

India stock, *ten and a half per cent.*^a

TRANSFER DAYS.

DIVIDENDS.

^a Tuesday, Thursday, Friday,	}	Jan.	5th
		July	5th
^a Monday, Wednesday, Friday,	}	Jan.	5th
		July	5th
^a Tuesday, Thursday, Saturday,	}	Jan.	5th
		July	5th

They are all transferrable, or saleable, without any restraint or difficulty, as will appear in Chap. III. wherein the method of doing it is fully explained.

Having thus given a succinct account of the public Funds, in a style which, I hope, will be intelligible to every reader; I have only to add a few remarks that naturally arise out of the explanation I have given of them, and which, I hope, will not be entirely useless to the public.

It appears then, "That the government securities of England are absolutely preferable to all others whatever.

"That shares in the stocks of the public companies of England are nearly equal to the government securities, and far preferable to the securities given by private societies, or particular persons.

"That shares in annuities bought at a great discount, that is to say, greatly under par, are the cheapest and most advantageous to the purchaser, and considerably more profitable than any stocks bought at a high premium: because

“ the probability of the premium (given
“ on any stock) totally subsiding, is infi-
“ nitely greater than that the low price
“ given at present for *three per cent.* an-
“ nuities, should fall much lower; and
“ there is a greater probability of their
“ rising, and a greater likelihood of its
“ continuance, than there is that the pre-
“ mium now given on any stock should
“ rise much higher, or continue so high as
“ it is, for any number of years: there-
“ fore shares in stocks that bear a pre-
“ mium, are the dearest, and shares in
“ funds or annuities under par, the cheap-
“ est to purchase.

“ That persons who have subscribed, or
“ bought into the *three per cent.* or other
“ government securities some years ago, at
“ a much higher price than the present,
“ ought not to sell out now, unless on an
“ unavoidable emergency, let what will be
“ the temptations offered by Brokers to
“ engage them to do it; since, in their
“ case, they will scarce better themselves
“ by any new subscription; and since,

“ whenever they offer to sell, they will al-
“ ways find buyers, whose desire of buy-
“ ing what they want to part with, plainly
“ makes a doubt of the matter ; for it
“ shews that the purchasers (or their Bro-
“ kers for them) have as good an opinion
“ of the annuities the sellers are going to
“ part with at a great loss, as they have of
“ any new subscription : therefore, unless
“ in a case of necessity, never remove your
“ money at a loss ; but wait patiently till
“ the situation of public affairs has brought
“ it back to the price you gave, or a much
“ higher, and never give such implicit
“ credit to sudden rumours of bad news,
“ as to let them frighten you out of your
“ property in the government securities ;
“ for these securities have not for many
“ years, nor are they ever likely to be in
“ any real danger.

“ Finally, that the man who wants to
“ engage you to be continually changing
“ the situation of your money, is influ-
“ enced by some private motive ; for
“ which reason never follow his advice,

“ unless you are a jobber yourself: for it is
“ the Broker's business to throw out all
“ possible baits to engage people to be con-
“ tinually changing from one fund to ano-
“ ther — every movement of this kind pro-
“ ducing fresh commission-money.”

CHAPTER II.

Of the mystery and iniquity of Stock-jobbing, in all its various branches.

I GIVE this account of stock-jobbing the second place in this little piece, because it may prove an agreeable relaxation to the mind after so dry a subject as that of the stocks; and likewise, because it is proper to give an account of the various branches of stock-jobbing, before I insert any general instructions for transacting the several parts of the business of the public funds.

It will be necessary to premise, that the iniquitous art of stock-jobbing has sprung, like a great many other abuses, from the best of blessings, CIVIL LIBERTY; the benign influence of which, the English nation, to its immortal honour be it recorded, is ever studious to extend to foreigners, as well as to its natives.

Moral writers assert, that there is no good thing on earth which may not be

abused: but this is no argument that the good, out of which the evil is produced, is the less valuable: on the contrary, it only aggravates the guilt of those, who are so corrupt as to make even virtue itself serve the cause of vice.

From the free liberty granted to all foreigners to buy into, and sell out of our public funds, the diabolical art of stock-jobbing took its rise, and gradually arrived at its meridian of iniquity.

The great concerns which foreigners, especially the *Dutch* and the *Swiss*, have had in our funds for more than half a century past, demonstrate the goodness of the English securities in preference to all others; that the manner in which the business of them is transacted, is the plainest and most free from all difficulties and embarrassments; and that the punctual payment of small interest is, by all prudent people, more highly prized than the vain promises of much larger interest, where there is not a probability of its being regularly paid at

the end of every six months; or, perhaps, of its ever being paid.

The credit of Great-Britain for more than half a century has been, and still continues to be greatly superior to that of any other European power, owing to the inviolable honour of our Parliaments in keeping to their engagements with the public creditors of the nation. A most remarkable and glorious instance stands recorded of our unimpeachable, national honour, with respect to the public funds. Many of our fellow-subjects in America, as individuals; and many of the Alienated Provinces as bodies corporate, had monies vested in our funds, and though they openly revolted from their Sovereign and the Parent State, yet their capitals were as secure, and their interest as regularly paid, during the late dishonourable and fatal civil war, as if no such unhappy event had taken place.

The Dutch, likewise, though they violated the faith of treaties, and forced Great-Britain into a war with them, found their immense property in our funds perfectly

secure ; and were left at full liberty to withdraw it by sale at market, the same as any other of the public creditors. The confiscation of this property, money being the sinews of war, would, in other countries, have been considered as sound policy.

The French government, on the contrary, has often violated the conditions on which it borrowed money for the exigencies of the state : therefore, as long as the present happy constitution of Great-Britain remains, she will constantly have the advantage of France, in obtaining loans on the strength of her public credit, not only from her own subjects, but from foreigners of every denomination.

“ Had one half of the acts of power
“ been exerted with us, which were formerly so familiar in France ; and half
“ the liberties been taken in tampering
“ with the claims of creditors, a total
“ bankruptcy would long ere now have
“ been the consequence.

“ Example works wonderful effects ;
“ and the advantages of a security to be

“depended on, will every day more and more engage the monied interest to prefer this to any violent and precarious profits.” This judicious remark is made by Sir James Stewart, in his elaborate work, intituled, “An Enquiry into the Principles of Political Oeconomy.”

Again, the Dutch and other foreigners having so large an interest in our public funds, has given rise to the buying and selling them for time; by which is to be understood, the making of contracts for buying and selling against any certain period of time, so that the transfer at the public offices is not made at the time of making the contract for transferring it; and this has produced modern stock-jobbing, as I shall presently have occasion to shew,

Nothing could be more just or equitable than the original design of these contracts, nor nothing more infamous than the abuse that has been, and still is made of it.

The original intention of these contracts, I imagine, was, that a Dutchman,

or any other foreigner, having occasion to buy into, or sell out of our public funds, and being informed by his correspondent at London of an advantageous opportunity of doing either, might be enabled to embrace such an opportunity, by writing to his friend to contract immediately for any quantity of stock against a limited future time, before the expiration of which, he might send his correspondent a remittance, if it did not suit him to do it immediately; whereas, if it were not for these contracts, the transfer (in the common course of business) being to be made, and the money to be paid at the same time, if it did not suit his correspondent to advance it, nor him to remit it, the opportunity would be lost, and again, that his correspondent might not be prevented from taking advantage of a favourable opportunity either of buying or selling for him, by being obliged to wait for the arrival of powers of attorney, or other necessary instruments, authorising him to transact the business at the offices.

This is the shortest and most probable account I am able to give of the original intent of contracts for selling and buying stock for time ; the four principal times for which contracts or bargains are usually made, are, February—May—August—and November—and these are called, in the language of the Brokers, the Rescounter*

* In the early editions of this work, the Author declared himself at a loss for the etymology of the word Rescounter, but he is now enabled to give a full account of it, for which the public are indebted to a deceased gentleman, who formerly resided in Holland in a public capacity, and who favoured the Author with the following letter.

“ S I R,

“ I thank you for your book, which has made me
 “ understand what before I had not the least notion
 “ of.—In your 29th page, in the note, you say you
 “ are at a loss for the etymology of Rescounter. I
 “ shall take the liberty to give you the meaning of
 “ that word as used among Dutch merchants, by
 “ which you may see how it has been adopted in the
 “ Alley—It is customary with the Dutch merchants
 “ who have mutual dealings and running accounts,
 “ and who live in the same town, to give a receipt

settlings. The correspondents of such foreigners as are concerned in our funds being generally merchants, these having no spare time, have recourse to Brokers, who make these contracts for them; and the method is thus: a Broker declares that he has a commission to buy (suppose

“ at the bottom of a bill of parcels, or invoice of
 “ goods sold to each other, in these words, *solvit*
 “ *per rescontre*, which is understood to mean that
 “ the value of such invoice has been adjusted in
 “ account current between them; even small notes
 “ of hand, or assignations (as the Dutch call them)
 “ are thrown into these accounts current.—When
 “ payments are made other ways, they say, *solvit*
 “ *per banco*, *solvit per cassa*, *solvit per wessel*, &c. this
 “ denotes the different manner in which payments
 “ have been made, and facilitates the tracing of any
 “ articles that may be disputed. I shall be glad if
 “ this throws any light upon the etymology of the
 “ word Rescounter, as used with you, and am,
 “ Sir,

“ Your humble Servant, &c.
 “ **ROBERT IRVINE,**
 “ Agent to M. B. M.
 Rotterdam.

D

in the month of May) 1000*l.* *three per cent. annuities* for the Rescouters in August ; and it is not long before he finds a brother Broker, who declares he has a commission to sell 1000*l.* for the same time ; after agreeing then on the price, the one marks down in his book — sold to Zerobabel Ambush 1000*l.* *three per cent. annuities* for August — and the other — bought of Jemmy Sly 1000*l.* *three per cent. annuities* for that time ; and thus the bargain is finished till August : but the principal, or person who employed them, is not declared on either side, as it ought to be ; of which hereafter, when we come to treat of the laws in force, respecting Brokers.

Were this proceeding to stop here, it would only answer the original design, (except in the last-mentioned particular) and would be so far just and equitable ; but the mischief of it is, that under the sanction of selling and buying the funds for time, for foreigners ; Brokers and other persons buy and sell for themselves, and for all employers, in whom they think proper to

place a confidence, though such persons have not any property in the funds they sell, nor any cash to pay for what they buy, nor the least design to transfer, or accept, the funds they sell, or buy for time.

The business thus transacted has been declared illegal by several acts of parliament, and is the principal branch of stock-jobbing, and the genuine source to which we are indebted for that variety of private letters from different quarters of the globe, in time of war—secret intelligence—important events—bloody engagements—invasions—Spanish fleets joining with French—difference with foreign powers—deaths of certain great personages—breaking out of the plague—alterations in the ministry—and that infinity of *et ceteras* of the same kind, which are to be found inserted in our news-papers one day, and contradicted the next; but which are all subservient to the great purpose of promoting the trade of stock-jobbing.

In order to prove that stock-jobbing produces a great variety of articles in the news-papers, as well as rumours and reports in coffee-houses, and the better to explain the whole mystery of this art, I shall endeavour to give a clear account of stock-jobbers; and shall distinguish the different classes of them; to convince the public, that it lies under a great error, when it confines the contemptuous term of stock-jobbers wholly to Brokers; an error, however, which has been too generally adopted; for whenever stock-jobbing has been brought upon the carpet, either in periodical essays, or upon the stage, the characters have been described either as Jewish or Christian Brokers, and those of the meanest and shabbiest sort; and indeed it were to be wished that the higher orders of men amongst us had not this disgraceful title, to sully their bright honours; but so it is, that the present immense national debt has introduced a general spirit of gaming among all ranks of men possessed either of property or credit,

and playing in the funds is become as common, as playing at cards.

Stock-jobbers may be divided into three different species.

The *first* are foreigners, who have property in our funds, with which they are continually jobbing.

The *second* are our own gentry, merchants, and tradesmen, who likewise have property in the funds, with which they job; or, in other words, are continually changing the situation of that property, according to the periodical variations of the funds, as produced by the divers incidents that are supposed either to lessen or increase the value of these funds, and occasion sudden rises, or falls of the current price of them.

The *third*, and by far the greatest number, are stock-brokers and their employers, who with very little, and often with no property at all in the funds, job in them on credit, and transact more business in the several government securities in one hour, without having a shilling of property in

any one of them, than the real proprietor of thousands transacts in several years; the following instance will serve to elucidate this remark.

A few years since, a stock-broker wanted to prove a debt of 100*l.* under a commission of bankruptcy; the rest of the creditors objected to it; and he was asked, how his debt arose? he replied, it was for brokerage, for buying and selling of stocks for the bankrupt. This was thought very extraordinary, the time of transacting this business for him, being the very period when he was most indebted to his several creditors; and consequently it was supposed, that if he had possessed such a property in the funds as to enable him to owe his Broker 100*l.* merely for commission, which is no more than 2*s.* 6*d.* per cent. he had no occasion to remain in debt. In short, the Broker was not allowed to come in as a creditor, upon which he very foolishly commenced a suit against the parties concerned, and was most justly nonsuited. It appeared upon the trial, that he had bought

and sold for the bankrupt, of various government securities, about 70,000*l.* in one quarter of a year, that is, from one ref-counter to another; and that the bankrupt at this time had not, nor could not be supposed to have, 100*l.* property in any one of the funds. As the whole transaction therefore was stock-jobbing, and expressly contrary to act of parliament, the bringing such a cause into a court of judicature was reckoned a most extraordinary piece of assurance, and cast that odium and contempt on the gentlemen of 'Change-Alley, who attended in behalf of their brother, which they justly merited. As for the Broker himself, he received a very severe reprimand from that most discerning and upright Judge, Lord Mansfield, the honour and ornament of his country.

Foreigners, who have property in our funds, and are jobbers, are the most guilty of injustice to the public of any of the parties concerned in this iniquitous practice :

because they are often men of credit, and sometimes of authority, in their own countries, which are perhaps in alliance with us in time of war, and therefore whatever false news they send over, to answer their private jobbing accounts, is not so soon suspected, nor its falsehood so easily detected, as those which are made at home. For instance, if a magistrate of a renowned city, we will say a burgomaster of Hamburg, whose government is in alliance, or at peace with us, sends over a letter to his correspondent at London, in which he assures him, that on such a day, and at such a place, the French gained a considerable advantage over the British forces, and backs his intelligence with orders to this correspondent to sell out 1000*l.* or 2000*l.* of his property in the funds, because he thinks this advantage gained by the French may prove detrimental to public affairs in England, and endanger, or at least greatly lessen the value of our funds: the public becomes immediately affected by this letter, at

least such part of it as have concerns in the funds; for it is shewn publicly upon 'Change, and proper care taken to spread the intelligence of his having ordered stock to be sold out: the gentlemen of the Stock-Exchange, who know the meaning of such letters (some of which during the last war arrived with almost every mail) receive the intelligence differently, as it suits their different interests; those who want the stocks to fall, take the utmost pains to propagate the intelligence, and to enlarge on the authority, credit, and veracity of the letter-writer; but, to put the finishing stroke to this scene of stock-jobbing policy, they immediately send a copy of the letter to the printers of several of the daily news-papers, at the same time, advising all their employers to sell.

The unsuspecting public, on reading of bad news, are easily inclined to believe it, because it comes from a friendly quarter. Were it taken from the Paris Journals, it might of course be a falsehood; but as

it is a private letter from one of our friends, who, we may suppose, would sooner give the most favourable than the worst account of things, it is universally credited. "The patriot sighs for his bleeding country—the malecontent exclaims against the measures of the ministry, and damns politics—the antiquated maiden, who subsists on the annual income of her property in the funds; and the miser, who always hated paper-money, tremble alike for their property, and reason thus with themselves—Stocks are fallen six per cent. perhaps to-morrow it may be worse, and the following day worse still; better sell before all is lost. Alas! poor Old England, this national debt will be thy ruin one day or other: well! land cannot run away, I'll e'en go into the city and sell before it is too late."

With the same idle fears, hundreds run to the Stock-Exchange, and sell on the credit of such sort of letters, of which the foregoing, taken from a real matter of

fact, is only a sketch. The next day, the gentlemen Brokers of the opposite party, who want the stocks to rise, take care to have this intelligence contradicted; then, those who have sold see their error, and want to buy in again, which if they do, they are obliged to give an advanced price; the shock is over; and the funds have recovered their former price; or perhaps a true piece of good news has raised them much higher than they were, before our false friend's letter was made public. To complete this example of the mischief that stock-jobbing foreigners make, and which many of my readers will allow is no exaggeration, there remains only to inform the public, that this worthy magistrate, at the time he sends this news, and orders 1000*l.* to be sold out, sends private orders to his Broker to buy in 50,000*l.* (when the news has effected a fall) in order to settle his jobbing account in the Alley; for, alas! poor man, he had engaged to deliver 50,000*l.* for the en-

suings rescounters, which he had sold on speculation at a low price, without being possessed of it; but it mattered not, "the French would land in Ireland;" and 50,000*l.* consequently, might be bought at a much lower price than he had sold it at, and the account be adjusted greatly to his advantage. Thus embarked, he naturally wishes destruction to Old England, which as a foreigner, is not so much to be wondered at; "but, O shame, horrid shame to Englishmen! ever to be engaged in contracts which must make them with misfortunes may befall their country." For once, however, the poor magistrate finds his error, no misfortune has really happened to England; and therefore he is obliged, as we have seen, to forge a piece of bad news, to lower the stocks as much as he can; but the mischief not having happened that he had formed in his brain, his account is obliged to be finally adjusted greatly to his disadvantage.

Numberless instances of this species of stock-jobbing might be given; but the author hopes that this one will suffice to give the common reader a distinct idea of the nature of it; and the judicious will need no key to realize this, or any other characters he may have occasion to describe.

To this branch of jobbers also belong the foreign ambassadors, ministers, and residents at our court, with their numerous train of secretaries, agents, and other dependants, all honourable spies, who watch every opportunity to avail themselves of the folly of our Stock adventurers, and who being earlier apprised than the public can possibly be of any alterations in the posture of affairs in the different courts of Europe, likely to affect our funds; play a sure game, and often retire to their respective countries with comfortable fortunes, acquired by this safe and easy, but most infamous method.

A French ambassador, the Count de Guisnes, stands charged (in printed me-

moirs) by his own secretaries, Messieurs Tort and Rogers, with having given them orders, while he resided in London, after the peace of 1763, to game very deep in the Alley for his Excellency's account, and, while success attended their enterprises, the ambassador received the profits; but when a long run of ill fortune brought them considerably in debt, his Excellency denied having any knowledge of the transaction, refused to pay the ballances against him, retired to France, and prosecuted his secretaries for defamation. By his great power and interest he got them thrown into prison, but they published justifying memorials, which convinced the unprejudiced, that the ambassador had duped them, and defrauded his English stock-jobbing creditors.

The second class of stock-jobbers are our own countrymen, of almost every rank and denomination: and as some of very high rank among us are extremely addicted to common gaming, it is no wonder to find them deeply engaged in the more re-

finer and artful games of the Stock-Exchange. These do more or less prejudice to the public, in proportion to their station and influence, and the sums they job for.

Thus, for instance, a man who enjoys any considerable post in the nation, by which he may be supposed to have the earliest intelligence of all events that can tend either to raise or fall the stocks, and whose veracity, or rather whose honour, will not admit the supposition of his propagating a falsehood—if he happens to be a jobber, and, in order to settle a great account in the funds to his advantage, should for once swerve from the truth, and, upon his honour, report a piece of news to be true, which is absolutely false—will do as much mischief for a short time, as the foreigner already mentioned. Again, the General of an army, or the Commander of a fleet, who are jobbers, should they have a great deal depending at the Stock-Exchange, and their account should stand so as to require a fall of the stocks—if they disappoint the sanguine expectations

of the public, and, instead of gaining, or pursuing a victory, only just do as much as will barely save their lives at a court-martial, because they will not, by a complete victory, raise those funds they want to fall—are stock-jobbers, who do the public a double prejudice; first, by not performing their duty in the important services they are intrusted with; and, secondly, by causing a fall in the funds that may alarm and frighten many of the adventurers and proprietors, and engage them to sell out their property to a disadvantage.

I am sensible that it will appear an absurd supposition to imagine, that persons in such high stations should be capable of a neglect of duty on such base motives: and indeed I will not positively assert, that we have ever had any instance of it; but, at the same time give me leave to observe, —that both ancient and modern history furnish us with many remarkable instances of the basest actions being committed by men of high rank, and the most exalted

stations in government, for smaller pecuniary advantages than those which might arise in the cases here supposed—and that the gain of twenty or thirty thousand pounds may, with the covetous, or prodigal in high life, outweigh the loss of honour, or a disgraceful sentence from a court-martial.

It must certainly be of great advantage to the State, to examine strictly what gaming connections of any kind the person has, who is a candidate to represent the people of this kingdom in parliament; for who so likely to take a bribe, as he who loses thousands in an hour, and pays his debts of honour—like a man of honour.

Let us now proceed to the monied man, who has no other influence or authority, but that which his cash gives him; but who, with the advantage of having a current capital of ten or twelve thousand pounds, becomes a man of great consequence in the city, and has no small influence on that part of the public, who have any concern in the funds.

He deals in the funds with a design to double this sum by a much speedier method than by a slavish, tedious application to the small profits of merchandising. He has experienced the surprising effects of stock-jobbing already, having increased his patrimony, by a diligent attendance at the Stock-Exchange, from two to twelve thousand pounds, and is now become an adept in the art: he has not a friend or acquaintance whom he does not attempt to convince of his superior judgment in the funds, and that he has the earliest and most authentic accounts from different parts of the world (by private letters) of all events that concern the nation, and can any ways affect the funds. Sometimes, when at war, he is well assured that we are at the eve of a peace, and advises all his friends to buy stock: this of consequence procures a rise, which was what he wanted, being a **BULL***

* A Bull is the name by which the fraternity of stock-jobbers choose to call all persons who contract to buy any quantity of government securities,

of twenty thousand three per cent. annuities; and by propagating the report of an approaching peace, he has engaged so many people to buy, that he has raised the price, and by that means he has got rid

without an intention or ability to pay for it, and who consequently are obliged to sell it again, either at a profit or a loss, before the time comes, when they have contracted to take it. Thus a man, who in the month of March, buys 10,000*l.* *three per cent. annuities*, for the rescounters in May, and at the same time is not worth ten pounds in the world, or, which is the same thing, has his money employed in trade, and cannot really take the annuities so contracted for, is a Bull, till such time as he can discharge himself of his heavy burden by selling it to another person, and so adjusting his account, which, if the whole house be Bulls, he will be obliged to do at a considerable loss. A Bull is likewise a person who has bought, and actually paid for, a large quantity of any new fund, commonly called subscription, while there is no more than one or two payments made on it, but who is unable to pay in the whole of the sum, and consequently is obliged to part with it again before the next pay-day.

of his twenty thousand, at two or three per cent. profit.

Another time he has just received intelligence that the Spaniards are on the point of joining the French, and will immediately assist them with a formidable fleet; he therefore advises all his friends to sell out, for stock will fall ten per cent. and if they sell out now, they will have a fine opportunity of buying in again much lower. To confirm their belief of the intelligence he has received, and to make his practice correspond with his opinion, he really sells out five or six thousand pounds, which he has ready for this occasion in some of the funds; his unsuspecting friends being by this artifice convinced of the truth of what he has related, follow his example, and universally spread the report; so that the great number of persons who are thereby induced to sell, and the coolness of those who want to buy, considerably lowers the price, which is all the good man aims at, who at this

time is a BEAR* at the Stock-Exchange, of thirty thousand pounds of some of the annuities or stocks, which he has now had an opportunity of buying to adjust his account with, on much better terms than he could have bought them, if it had not been for this news; and the loss he has sustained on the five or six thousand pounds (sold only as a blind) is trifling, in comparison of the loss he has prevented, or perhaps of the profit he has made, on closing his stock-jobbing account. To finish this character, let me inform the public, that the letter of intelligence on which this scene of action is founded, was made abroad, by the gentleman's desire, and according to his own form, to answer this very end. Nay, if that could not be con-

* A Bear, in the language of the Stock-Exchange, is a person who has agreed to sell any quantity of the public funds more than he is possessed of, and often without being possessed of any at all, which, nevertheless, he is obliged to deliver against a certain time.

trived, for want of a correspondent abroad, it was very easy to supply that defect by means of any German, French, or Dutch clerk, in the counting-house at home.

Next to this class of jobbers follows a whole group of characters, who are merchants, tradesmen, and shopkeepers of various kinds; and who cannot reasonably be supposed to have laid out their capitals in the funds. To say the truth, the greatest part of them have not a shilling of property in any one of the government securities. These men therefore, walk the 'Change on credit and honour; that is to say, as they are known to be substantial tradesmen, and men whose word (in the city style) is as good as their bond; they have nothing to do but to give orders to a Broker to buy them 50 or 60,000*l.* of any of the funds, for any particular time, or to sell the same sum. This order is executed as soon as the tradesman has assured the Broker, that he will act upon honour, and pay any loss that may arise upon closing the account. *Some tradesmen, and*

merchants, have occasionally given a terrible blow to stock-jobbing, by refusing to pay the losses on their jobbing accounts, artfully pleading the act against jobbing, mentioned in the former part of this work, which declares all stock-jobbing bargains to be illegal, null, and void.

We will suppose for a moment then, that one of those people in trade is a coffee-house politician; and has lately in his own imagination found out, that some connections the administration are on the point of entering into abroad, or some measures they are likely to take at home, will tend to raise the stocks considerably, which now bear a low price. Fired with the idea of greater gain, and much easier to be procured, than any he could hope for by an attendance on his warehouse, he quits it, and runs to the Stock-Exchange, where he gives orders to buy 70,000*l.* three per cent. annuities, for the following rescounters; when this is done, he returns home fully satisfied with his superior judgment; and, to make his case the better,

he once more quits his shop earlier than usual in the evening, to entertain his fellow-citizens, at some punch-house or tavern, with an harangue on the great advantages we are likely to gain over the enemy in a short time; and assures them, that now or never is the time to get money by buying stocks: and if, luckily (in time of war) there is a town besieged by the British forces, he is ready to lay nine to one, all round the room, that it is in our hands before the thirtieth of May, (the time, we will suppose, his account is to be settled.) This fatal day however advances, and no fortunate news arrives. — The good Broker waits on his friend to acquaint him that the time is drawing nigh; and desires to know what is to be done with the 70,000*l.* annuities, which he well knows the tradesman never intends to take. “The young citizen replies, by enquiring if there is no news with the last mail, no rumour of a peace, nor no advantage gained over the enemy: to which the seemingly melancholy Broker

“ answers, No, dear Sir, quite the con-
“ trary ; there is a report that we have
“ lost a battle ; and that there will soon be
“ a change in the ministry. — A change in
“ the ministry ! heaven forbid ! then we
“ are all ruined : and do you really be-
“ lieve it, Mr. Longshanks ? Yes, Sir ;
“ upon my honour, I am afraid it is too
“ true, for they are all turned sellers to-
“ day, and three per cents. are fallen four
“ per cent. below the price you bought
“ at ; and they say the house are Bulls for
“ the rescouters. The devil they are,
“ Sir ! why what would you advise me
“ to do then ? I shall lose finely, I sup-
“ pose. — Do, Sir ! why I think — I think
“ — I would advise you to sell, and close
“ the account ; for I am afraid you will
“ only make it worse by staying till the
“ last day. If, indeed, either CONTINUA-
“ TION OR BACKADATION would serve
“ your purpose, I would keep the account
“ open, but the complexion of the market

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"will not warrant any further risk*. It is
 "a little unlucky, to be sure; but we
 "shall recover it again, and more to it,
 "next rescounters. Shall I sell, Sir? —
 "Why, yes; the first loss is best; and
 "pray let me have the account, that I
 "may discharge it, for I shall be out of
 "town on the settling day." In a short
 time, Mr. Longshanks returns, and thus
 continues the scene:—"Well, Sir, I have
 "done it at last at $7\frac{1}{2}$; I believe the peo-
 "ple are mad.—I thought I should never
 "have got it done;—they are all sellers to
 "a man.—Well, I must make all the

* CONTINUATION is a premium given when
 the price of a fund, in which you have a jobbing
 account open, is higher for *time* than for ready
 money, and your settling day is arrived; so that
 you must take the stock at a disadvantage: in this
 case, you give from 1 to 3 per cent. to put off the
 settlement, and continue the account open for a
 month, or three months.

BACKADATION means a consideration given to
 keep back the delivery of stock when the price is
 lower for *time* than for ready money.

" haste I can to Sir Solomon Wronghead,
 " for he is a Bull of half a million; and
 " I must advise him to sell before things
 " grow worse. Here, Sir, is your ac-
 " count.

Feb. 28th, 1798.	May, 25th, 1798.
Bought for Mr. Deputy	Sold for Mr. Deputy
Dowlas, 70,000l. three	Dowlas, 70,000l. three
per cent. Consols. for	per cent. Consols. for
the rescouters in May,	May rescouters, a,
2, 52.	47½.

" The difference or loss, Sir, }
 " is 4½ per cent. which } 3150 0 0
 " comes to . . . }
 " And my commission for }
 " buying and selling at an } 87 10 0
 " ½ per cent. is . . . }

3237 10 0

" Well, Sir, you will write a receipt, and
 " I will give you a draught upon my
 " banker for the money. Pardon me, Sir,
 " you know this whole transaction is ex-

"preſſly againſt act of parliament,* and
 "therefore we never give receipts, nor
 "take any; all is upon honour, Sir, which
 "you will know by and by, when I have
 "a larger balance to pay you. Well, Sir,
 "how ſhall I write you in the draught;
 "Pray what is your chriſtian name? Oh,
 "Sir, you need not be particular, only
 "write—To Jemmy Longſhanks, or
 "bearer, that will be ſufficient; you may
 "add, if you pleaſe, Captain-general of
 "the band of gentlemen ſtock-brokers---
 "Sir, I thank you; I hope we ſhall have
 "better ſucceſs another time. I hope ſo
 "too, Mr. Longſhanks, a good day to
 "you—Sir, your very humble ſervant."

This example may be multiplied to a
 thouſand; but as the neceſſary explanation
 of it has taken up more room than I ima-
 gined, I ſhall wave giving any further in-
 ſtances of the ſame kind, and ſhall leave

* See an act 7th Geo. II. intituled, "An act
 "the better to prevent the infamous practice of
 "ſtock-jobbing."

the judicious reader to form a case, *per contra*, wherein a trader sells for the rescounters, and wants to lower the price, in order to buy in, under what he has agreed to deliver at; and to follow this man to the coffee-house, where he will be found exclaiming against the measures of the ministry, and pronouncing the nation to be on the brink of ruin.

In the room of other examples, I shall here introduce some remarks, which I hope the public will think deserving of the most serious attention.

Granting then, that any tradesman of this great metropolis, has acted such a part as I have just described, can it be supposed that he will sit down quietly with his loss? a loss— which the profits of his trade will not, perhaps recover in many years. No, certainly, he will sport again, and probably a second loss may lead the way to bankruptcy: or grant that he gains, it is all upon honour; and perhaps when the day comes that he is to receive a balance in

his favour, which would indemnify him for his former losses, his Broker turns out a **LAME DUCK** ; * by which he has the mortification of losing this balance without resource, and probably of seeing his Broker re-established at the Stock-Exchange, for a paltry composition to his creditors within the house, while he himself is declared a bankrupt for inability to pay his lawful creditors their just demands ; which inability has arisen from his having too punctually paid his debts of honour to the honourable gentleman, who has now left him to shift for himself.

But the worst of all is, that, conscious of his own folly, the tradesman has never placed this great loss to account, and his books being regularly kept, except in this particular, it appears upon the examination

* A name given by the Brokers to those who refuse to fulfil their jobbing contracts. There are some of these at almost every rescounter. The punishment for non-payment is, banishment from the Stock-Exchange, but they can still act as Brokers at the Bank, and other public offices.

under the commission, that a large sum has been received in a short space of time, and no account is given how it is expended; this naturally leads to an enquiry of the bankrupt what is become of the money? To which he will perhaps answer (if he is a man that is not past the time of life for the indulgence of sensual pleasures) that he has spent it in high living, and on women; for the last of vices that a man of spirit would choose to own, is gaming; as it carries with it no excuse, having no gratification to plead; and is besides, the most blameable of any in a tradesman. This account not proving satisfactory, he is condemned for the supposed sins of his youth, but in reality for his folly in stock-jobbing, to a perpetual imprisonment, perhaps to an ignominious death.

If an instance of this kind happens only once in ten years, is it not enough to make an humane people lament that such a gaming scheme subsists in the very heart of the city? Ought it not to silence all clamours,

as well as all lampoons and satires on card-playing at the court end of the town? For how trifling are the sums generally played for at cards, in comparison of the deep stakes in the city? How infinitely do the consequences fall short of those which attend gaming in the funds? In one case, noblemen and gentry dip their estates and impoverish their families; in the other, substantial merchants and citizens, who are the very soul of commerce, are ruined; and the state, which subsists by the extent and flourishing condition of its commercial interest, must suffer in the end.

Again, let it be considered, that in some, at least, of our grand card assemblies, all foul play is excluded; and the chances are equal, except where superior skill in the game gives the advantage. Now no superior skill in any game at cards can give an advantage equal to that which the crafts and subtleties practised by the old stock-jobbers, give them over the young and unexperienced; and this should not only deter men from engaging on such

unequal terms, but should likewise induce them to be very sparing of their reflections on those who have lost considerable sums at the Stock-Exchange, and have quietly sat down with the loss; since such persons might be ignorant at first, that the practice of stock-jobbing was dishonest in itself; or that in order to succeed in it, a man must divest himself of every sentiment of humanity and integrity, and must be deaf to the cries of the wretched whom his success has reduced to misery, he therefore, who, having found his error, submits to the fatal blow, and tamely wears the name of *dupe*, rather than job on, till he becomes a *sharp*, merits the compassion, if not the applause of his fellow-citizens.

In a word, the chance, of gaining is very small, and the uncertainty of being paid, when you gain, very great; for which reason, I intreat those who have not yet entered the Stock-Exchange, never to frequent it on a jobbing account; and those who have sinned already, to go their ways

and sin no more, lest a worse thing come unto them; lest their fortunes, together with their liberty, fall a sacrifice to the fatal consequences of repeated stock-jobbing losses, and their names, which once stood foremost in the bright records of unsullied honour, should be sunk into oblivion, or, by the hasty judgment of an uncharitable world, be branded with undeserving infamy.

To confirm the observations I have made in the preceding section, I am now at liberty to lay before the public a short account of a transaction between a Broker and his principal in the year 1761, which was suppressed, out of tenderness to the principal, till after his decease.

The principal, Mr. Dunbar, a West-India merchant, having sustained great losses in the course of his commercial connections, fell upon the expedient of jobbing in the Alley to retrieve himself. With this view he employed his Broker, about the month of January, 1761, to buy for him a very large quantity of the current

subscription of that year, I think 70, or 80,000, for the following month, having, as he thought, sufficient grounds to imagine that a peace between England and France would soon be made, and consequently that all the funds would rise considerably. The commission was executed, and it appeared afterwards that the Broker, on the strength of his principal's intelligence, bought largely for himself: the month of February ended, no peace took place; the bargain was continued on for March, and the difference (the price being against our adventurers) was paid in the Alley: March, April, and May, proved still more unsuccessful; a coolness between Mr. PITT, (*the late Earl of Chatham*) and Mons. de Bussy, (*the Frenchman having the Spanish promise of support in his pocket*) lowered all the funds considerably, and the Broker now beginning to suspect his friend's intelligence or judgment, after receiving from him the difference for May, turned over

his own separate bargain to him : thus our principal became more deeply engaged for June, and the losses he had already paid for the differences through the preceding months, between the price he bought at, and the price at the end of May, amounted to some thousands. June and July produced the same effect ; then the difference to be paid by our principal amounted to so large a sum, that he could not furnish it in cash, and therefore for this month's settling, he gave notes of his hand to his Broker, which were received by him at that time as cash, nor did he make the least objection to them, but declared to him that all was adjusted, and his account continued on for August. In the course of that month, the prospect of peace revived, and such was the nation's opinion of Mr. Pitt's abilities, that conceiving he must make a most advantageous treaty, the funds rose considerably, which gave our principal an opportunity, by selling at the then advanced price, to close his account, and to recover the

greatest part of what he had hitherto lost, and faithfully paid to his Broker for differences. Resolved now to dabble no more in the Alley, and convinced of his error, he communicated his intention to his family; snatched up the news-paper of the day, and drove away to find his Broker; but, gracious heaven! who can describe his agony, when the perfidious wretch told him, he had no subscription of his to sell: that ever since our principal had given notes instead of cash, he had no account open for him at Jonathan's—for his brother Brokers insisted upon closing it, and would not give him credit to continue it on till August. It was in vain to remonstrate, no redress could be obtained; but by applying to the laws of the land, an injunction was obtained to prevent the circulation of the notes still remaining in the Broker's custody, amounting to many thousand pounds; and a suit was commenced against him in the Court of King's Bench for perjury, in his answer to a bill that had been filed against him in the

Court of Chancery, to discover for what valuable consideration those notes had been given.

The author of this treatise was consulted in this case, on the nature of the fraud, and he soon found the deceit of the whole business: it evidently appearing to him, that the Broker had finally settled and adjusted the whole account in May, when he pretended to turn over his own private bargain to the principal; that if *scrip* (the subscription) had risen in June, he would have given him the same answer he gave him in August, *viz.* that he had none belonging to him; but as it kept falling every month from May to August, he continued to charge and receive the differences, as if he had still had the contracts subsisting at Jonathan's; and instead of paying them, as he alledged in his answer, to his brother Brokers; it plainly appeared by the indorsment of those notes he had negotiated, and by those remaining in his hands, that he had kept the whole for himself, amounting to

14,000*l*. The cause never came to a trial, being put off one term for want of one of the Broker's books, *viz.* for May, and before the next, the gentlemen of the Alley, to avoid the exposure of this piece of iniquity, compromised the affair with the principal; and as a proof of the fraud, the notes not negociated, were immediately given up.

To this instance, another was added in the year 1776, when a very capital Broker, in conjunction with a quondam Banker, drew in a naval officer, to job for a considerable sum in India Stock. The bait held out was, a considerable rise to happen upon an accommodation between Great-Britain and her Revolted Colonies. This desirable event, they assured him, would be very soon accomplished. In the mean time, the bankrupt banker, who had turned jobber, drained the officer's purse for money to pay the differences, the stock constantly falling instead of rising, besides which, they made him in future months, indebted to them a confi-

derable sum ; at length, when a rise came, which would not only have set the officer clear, but have produced a large balance in his favour, the Broker became a LAME DUCK, the friend pretended that he had long before been insolvent, and both had the impudence to menace a suit against the officer for their pretended debt due from him. But fortunately for themselves, they were prevailed upon by their own attorney to desist, and the poor deluded officer, on his part, was obliged to sit down quietly with the loss.

In short, the jobbing Brokers are the only persons, who have been known to raise fortunes by jobbing, all the *losing* accounts being for their employers, and all the *winning* for themselves.

But, in order to demonstrate this more clearly, it will be necessary, in the next place, to give an account of the transactions of the PROFESSORS of the art and mystery of stock-jobbing, who like the members of other colleges, have different degrees, according to the extent of their

genius, or the length of time they have belonged to the society. At Jonathan's in 'Change-Alley, formerly, and the scene at the Stock-Exchange is just the same, except that death has taken away the old, and time has introduced new actors on the stage, there were, and are still *Servitors*, *Novices*, *Pupils*, *Tutors*, and *Doctors*; the latter of whom are easily known by their pride and arrogance, which breaks forth upon every occasion into declamations against *fresh-men*, or *novices*; and in praise of their own superior skill and dignity. — If any of my readers have ever employed a doctor in the art, they will easily recollect some such advertisements of his skill, as this — “ I am always to be found in the
“ very worst times, and know how things
“ stand, and the trim of the house, bet-
“ than these young boys, who live but a
“ few days in the Alley, and then are
“ heard of no more ; ” — which means only, that they can shave closer, than the young ones; which may be taken either in a literal, or a figurative sense, for more

than one of the principal Brokers in the Alley, at the time of publishing the first edition of this tract, had been barbers; and Doctor Cotton was the most eminent. Tutors are those who take Novices for their Pupils, and finding their ignorance (owing to their innocence) make bargains with them, and bring them into credit with the house, in which they suffer them to go alone, as soon as they have tricked them out of half their fortunes, for teaching them an art, which, if they have any honesty left, they quit as soon as they know the infamy of it, leaving their tutors to enjoy the fruit of their guilty instructions.—The tutorship has generally been in the hands of Jews, and, with great propriety, one Aaron Avila was for many years high-priest. Servitors are those who wait on their masters commands, and are ready to do all the dirty business they order them; and which they do not care to appear in themselves; such as asserting—that stocks were done at a different price than they really were, at

any particular hour — or buying and selling under-hand for their masters, a large quantity of any of the funds for the ref-counters, in order to raise or fall the stocks at pleasure, which business they transact with a brother Servitor, who is in the plot ; and, after the end is obtained for which these bargains were made, they are cancelled, and the bounty of the master is equally divided, which by the bye, is but very small ; and therefore the Servitors are to be distinguished by their shabby appearance, and their frequenting the door of the Stock-Exchange, which they can seldom afford to enter.

I remember indeed one exception, which was of a favorite Servitor, who was one morning employed to transact such part of a great Doctor's business, as he himself could not perform for want of time ; and his allowance, for this overplus on the other's business, amounted to fifteen pounds sterling ; by this it appears, that jobbing must be the principal support of, and what

enriches the gentlemen of the Alley; for it is next to incredible that any Broker (who was only moderately fond of wealth) should *really* transfer in one morning, betwixt the hours of nine and twelve, so much stocks, or annuities (for which he has no more than two shillings and sixpence per cent.) as would enable him to spare his Servitor fifteen pounds: but when once a jobbing account enters the lists, as there are no bounds to this sort of gaming, it is not to be wondered at, if, on a settling-day, after any rescouters, a Doctor in the Art should be obliged to take a Servitor, at the rate of twenty pounds per diem: *

* After the publication of the fourth edition of this work, a gentleman communicated to the author the following anecdote,—That there was an office not far from the Exchange, kept by two Brokers, whose commissions for one year amounted, upon a moderate calculation, to a hundred pounds, one day with another; and so positive was he in his computation, that he declared he would willingly

another part of the Servitor's business is to make and carry paragraphs of false intelligence to the printers of public papers, whom we often find confessing, that they were imposed upon in particular articles of news: it were to be wished that this apology was always true: and that the public might have no room to suppose, that for five shillings, they insert any piece of intelligence, without considering the consequences.

The gentlemen of the Stock-Exchange have likewise their Terms and Vacations; but there are no stated times for these in general, though in time of war, we may fix the commencement of their principal term to the beginning of November, or the meeting of Parliament; and its duration to the end of the May ensuing, or the

have rented the profits of their office, at the close of the war, at that sum, every day from the first report of a peace. These gentlemen have since elevated themselves to the dignity of Bankers,

time of circulating the Minister's Budget in the market.

In this Term, there are several sorts of business to transact, which keep the Brokers in a perpetual ferment without the least relaxation; insomuch that even many of the Doctors are obliged to lay up their equipages, and others to send their high-bred hunters to the livery stables. The very height of Term is, a few days before the drawing of any State Lottery, when those who have contracted to take, or are already possessed of more tickets than they can possibly hold, in the language of the jobbers, begin to open their budget, or to let the cat out of the bag, and these may not improperly be styled the **BULLS**, Plaintiffs;—and the opposite party, who have agreed to deliver a quantity of tickets without being possessed of them, the **BEARS**, Defendants. The cause is depending nine months, before it comes to a final issue; there are indeed little trials of skill betwixt the Bulls and Bears at the

end of every month, from May to February, because for each of these months, there are contracts made for twenty times as many tickets as there are in the whole lottery; but the grand and final decision is on Friday before the first day of drawing, when that is appointed by the Lottery Act to be on any Monday; but when it is ordered to commence farther on in the week, then the day of settling at the Stock-Exchange is altered, so as to make the settling of accounts happen a day or two at most, before the drawing begins.

It would be tedious, and indeed in some measure needless, to give more examples than one, of the chicanery practised by the professors of the college, and of the various artifices they make use of to impose on each other, and the public in general; because the same measures must be pursued, and the same tricks played, for all jobbing accounts, in every different branch of the funds: for which reason I shall confine myself to a jobbing account in the lottery, as being that which effects a larger body

of the public than any other ; for there are numbers who annually adventure in lotteries, who know nothing of the other funds; and probably have no property in them.

As a prose writer, and only a bare narrator of facts, I cannot properly call in the assistance of the fairy train, nor yet conjure up ærial spirits to convey my readers through the jarring elements to the place, where, for my own convenience, I would have them transported; I shall therefore only simply intreat them to awake the powers of their imaginations, and by their strength, suppose themselves conveyed to the famous college of jobbers, not inferior to any college of Jesuits; where I must leave them to recollect, and call up the idea of Bartholomew Fair, or some country wake, that they may have a just resemblance of that horrid din of confused voices, and that motley appearance of various characters, which present themselves to their view, at their entrance into the college—while I for a moment pause—to

consider in what language and form I shall explain the subjects of their wild uproar.

Shall I throw it into dialogue? No; it is impracticable; for it consists of such a medley of news, quarrels, prices of different funds, calling of names, adjusting of accounts, &c. &c. continually circulating in an intermixed chaos of confusion, that it will not admit of digesting into that pure, decent method of expressing a familiar conversation.

Since then no borrowed style will suit it, nor no characters aptly represent it, let me give the explanation in their own language; and only inform such of my readers as are not likely ever to see the Stock-Exchange in reality.

That the grand scene opens a little after one o'Clock, (at which time the transfer books of the public offices are shut for the day) and generally the actors hold forth in the following manner, and almost all at once: "Tickets—tickets—India stock for the opening—Navy bills—Bank stock

" a friend, Mr. Point-royal, I shall give
" you the turn; you shall have them at
" fourteen.* The turn, Mr. Mulberry!
" why do you think I do not know what
" I am about, as well as if I was selling
" pins or needles, or drawing patterns
" for ladies ruffles? they are all sellers at
" thirteen.—Well, then, you shall have
" them at thirteen—I will take them at
" twelve, and no otherwise.—Well, you
" shall have them, put them down (for
" the drawing, mind) but d—n it, Tom,
" where did you get that paste wig?
" Why, you son of a b—, it is as good
" as your mop—India stock, without the
" dividend. Have you any thing to
" do in India stock, Monsieur Sham-it?
" Non pas, Monsieur, bien obligé—I

* They mean fifteen pounds, or sixteen pounds fourteen shillings, as the price is; but this short method has been invented to save the gentlemens breath, otherwise, it would be impossible for their lungs to hold out.

" have been talking French so long to
 " Sir Harry Travel-sick that I forgot
 " myself—I have nothing to do, Sir;
 " ask my partner' I am but just come
 " from Tunbridge Wells, (angrily) —
 " India bonds; who buys India bonds?
 " —no buyers in the market? — Well,
 " Mr. Backward where shall we dine to-
 " day?—You have never a pig in store,
 " have you?—No, no, Mr. Sharpset, these
 " are bad times; I have made nothing of
 " it this term yet; but hush, don't talk
 " of pig, for here comes the proud Dr.
 " Low-piss, who never looks pleasant at
 " the best, and should you mention swine's
 " flesh in his hearing, we shall make him
 " as surly as Old Nick.* — Enter Kit
 " Cot—and Mr. Verjuice, from Spring-

* In the famous South-Sea year, a haunch of
 venison sold for five guineas, which was a proof of
 the luxury of the jobbers of that æra—Mr. Back-
 ward is an instance of luxury in another kind; he
 is fond of a pig prepared for his table in the follow-
 ing manner; it must be taken from the sow, soon

after
 fire
 and
 whip

" gardens, with each a book in his hand
 " —Here, *Every Man his own Broker*, I
 " am a seller for money—and I am a sel-
 " ler for time—to them, Mr. Skinit, for-
 " merly a butcher, Mr. Onion, Sam
 " Dangerless, Joe Dirtyface the baker,
 " and Tom Steel the common-council-
 " man, who all at once demand, what
 " is it? Any new subscription, Mr. Ver-
 " juice? I buy, I buy—No, no, gentle-
 " men, it is not so good a thing; it is a
 " d — impudent libel against all the
 " members of this sacred college; and I
 " would give all Spring-gardens (my real
 " estate, gentlemen) to see the author well
 " punished for his insolence; here he gives
 " directions how to buy and sell stock
 " without a Broker; and lays open the
 " whole of our transactions; and all for-

after it is littered, and laid on a soft cushion by the
 fire side, where it must be fed with Naples biscuits
 and cream, till it is a fortnight old, and then be
 whipped to death and roasted.

" footh, because he has lost his money
 " amongst us—Thousands have shared the
 " same fate, why should he make such a
 " noise about it? or why injure all, to be
 " revenged on a few? 'twas neither you
 " nor I that stripped him; 'twas Aaron the
 " Jew, Bob Falstaff, old Hodge, and two
 " or three more—Well, pray don't be in a
 " passion, gentlemen; pray what are you
 " going to do with the books? Do! why
 " sell them at a low price; you know that's
 " the only way: and then tell all our
 " friends out of doors what cursed stuff it
 " is; and that it was done here at—how
 " much, Mr. Skinit? Why I will give you
 " *ten-pence* money—*both*, You shall have
 " them—*Calls out*, Done at ten-pence,
 " gentlemen—Pray get it up in Chance's
 " list, 'twill damn the book effectually*
 " —Here, who'll sell a hundred for time?

* Saturday, May 30, 1761.—Mr. Chance was a
 very worthy good-natured man, who arrived at the
 highest pinnacle of fame by distributing the favours
 of fortune, like his mistress, at Hazard, sometimes

"—*Sam Dangerless* replies, I am a seller of
" a hundred for time—you shall have
" them at *nine-pence* for September next
" —I will take them at *eight-pence*—You
" shall have them — done at *eight-pence*,
" gentlemen, for September—A good bar-
" gain; I shall get them at the stalls for
" a penny, long before that time—Tom
" Steel the common-councilman now in-
" terposes, and makes as formal an ha-
" rangue as if he were pleading in the
" city parliament for some darling pri-
" vilege.

" Gentlemen, you are highly in the
" wrong to take so much notice of this
" paltry performance, or its author; trust
" me, the best thing you can do is to let
" him alone; the thing will die of itself;
" besides, he can really do us no harm, for

giving 10,000*l.* to blockheads, and to men of the
greatest merit, a blank. Unluckily for the gentle-
men in question, he did not put the *Alley* price of
Every Man his own Broker, in any of his lists.

" we are so strong a body, that he may as
 " well attempt to beat down the Monu-
 " ment with an old Shoe-Horn, as to de-
 " stroy our college; we are too well sup-
 " ported: leave him to me, pass quietly
 " by him in the streets, and do not stare
 " at him as if you saw a monster, (nor
 " don't you, brother Eye-Tony, call
 " people out of their shops to leer at him)
 " for that only marks rage, and a con-
 " fession of guilt:—I have a safer and
 " more quiet way; it is but arming our
 " *under secretary of state** against him,
 " and this moth will soon be crushed. I
 " can add no more, for here are some
 " strangers coming in; therefore let's
 " adjourn the subject—but, by the bye,
 " *whispers*, I have voted for a silk gown

* In the course of Lord North's glorious admi-
 nistration, Monsieur Sham-it, mentioned in page
 99, was transplanted from the Alley to the Secre-
 tary of state's office, for what services the noble
 lord who promoted him best knew; his real name
 was Anthony Chamier.

"to-day, I hate to be numbered among
 "the common livery. — Here, old an-
 "nuities without the dividend — Enter
 "Mynheer Vander Doubleface (with a
 "packet of letters) — Two mails from
 "Holland and three from Flanders. Ik
 "sal never go through myn business, 'tis
 "too much; (looking round him) wat
 "has my news sent all de gentlemen to
 "the post-huis — well — this is ongeluckt,
 "for ik must buy een groot deal of stock,
 "dar is heel good news — de BUONAPARTE
 "is taken."

Having thus given a specimen of the
 daily tumult at the Stock-Exchange, I am
 to apologize for letting any thing so very
 low appear in print, by assuring the public
 that nothing could have induced me to
 have given it a place, but the desire of
 shewing them what a trifling set of people
 they are in subjection to; for I call it
 subjection, when so large a body of peo-
 ple, as that part of the public who have
 concerns in the funds are, tamely submit

to think, speak, and act upon the judgments of these gentry.

I shall now return to Mr. Point-royal, and just exhibit a leaf or two of his jobbing book, before I take my leave of him.

Lottery Tickets for the Drawing.

Bought, viz. - to take	Sold, - - to deliver
200 of Levy, at 15l. 15s.	500 to Mr. Buck at 15l 5s
100 of Benjamin - 12s.	300 to Mr. Skin-flint 8s.
100 of Solomon - 14s.	200 to Dr. Wool - 10s.
100 of Reuben - 18s.	400 to A. Avarice - 11s.
500 of Mr. Mulberry 15s.	
1000	1500

It appears by this account that Mr. Point-royal is a BEAR for five hundred tickets; that is, he has sold five hundred more than he has bought; consequently he wishes they may fall; and as a means to bring it about, he runs up and down the house, a few days before the drawing, declaring, that the tickets do not go off, that he has passed by all the offices, and

did not see one customer in any of them; and, in short, that the price must come down. The reason of this conduct is obvious. Tickets at the time of his acting thus, are considerably above the price he has agreed to deliver at; and should they continue so till the drawing, he will be obliged to buy five hundred to adjust his account at a much higher price than he has sold at.—This is only one account, and that a small one; but let us suppose the accounts of the greatest part of the house to stand thus, and that the majority are BEARS; it is upon the discovery of this, that the debates in the cause begin to grow warm, and the counsel to rail at each other, and brow-beat the evidence. This produces a scene of amazing confusion and uproar; and the public are obliged to give that price for tickets in the offices, which the sentence passed in the college fixes on them: thus, for instance; if the BULLS get the better of the contest, by holding their tickets to

the last, and oblige the BEARS to buy on their own terms, then the price of tickets rises considerably, not from their intrinsic value, but from the artificial scarcity in the market; but if, on the contrary, the BEARS gain the victory by a seeming indifference, and by raising a thousand artful stories, which frighten the BULLS, and cause them to sell at once, then the price falls, from the market's being overstocked, and the public will thereby procure them at a low price. I would therefore advise all private adventurers either to buy very soon after the first coming out of the tickets, which generally is in June or July, or else to wait till the very morning of drawing, and buy an hour or two before the wheel goes round.

It would puzzle my readers to divine the method of settling or adjusting (as they call it) such an account as Mr. Pointroyal's: and if I were not to give a slight sketch of the manner of doing it, it would be thought incredible, that it should ever enter into the heads of any set of men, to

invent such a perplexed and intricate form of adjusting an account.

For the sake of brevity, and to render myself as intelligible as possible, I shall take only one article on each side of Mr. Point-royal's account. Against the day of settling he has made out, what he calls, his list, with which he appears in court, and once more accosts Mr. Mulberry—Sir, I am to take five hundred tickets of you, do you deliver them? No, Sir.—Who have you got then? Let me see—I have got Mr. Sham-it; go to him for four hundred, and see if you can adjust that, while I see who I have got for another hundred—*goes on*, I am put to you, Mr. Sham-it, by Mr. Mulberry, for four hundred tickets. Well, Sir, you must go to Dangerless—*goes on*, Mr. Dangerless, can you deliver me four hundred tickets for Mr. Sham-it? Yes, Sir; are you ready to take them? No, Sir, I am to deliver to Aaron Avarice—*calls*, Aaron Avarice, here; will you take your four hundred tickets of Mr. Dangerless? No, Sir; I

give you James the son of Zebedee—
Zounds, Sir, that won't do, he is Mr. Mul-
berry's partner; and I am to take of him
—Well then, let me see, oh! deliver them
to Mr. Coal-hole—aye, aye, take 'em to
Mr. Coal-hole, and there they'll settle.

In short Mr. Coal-hole agrees to take
them, being in want of four hundred for
a customer, (for he is no jobber, but when
obliged to act for a principal :) but here
another difficulty arises about the price
they are to be done at; Mr. Coal-hole is
to pay for them, and will take them at no
other price, than that which he agreed for
with Aaron Avarice; which happens to
be a great deal lower than Mr. Dangerless
sold them at to Mr. Sham-it; at last,
however, Mr. Coal-hole, being a good-
natured man (and knowing Mr. Sham-it
to be a Doctor, who has never been a
lame Duck) agrees to pay for them at
twelve shillings, to satisfy Mr. Dangerless.

who always takes care to be on the sure side.*

Thus we have adjusted four hundred of Mr. Point-royal's tickets; and happy will it be, if he settles any more so easily; for sometimes these gentlemen put one another about from man to man, till they have gone all round the house. The method of entering these accounts when adjusted, is to the full as absurd; and would afford no entertainment or instruction, for which reason only, I omit it. The remainder of the Lottery Term is employed in buying and selling of tickets during the drawing.

Having thus given an account of the business transacted at the beginning of term, I shall only observe, that all is pretty

* Dangerless is so lame a Duck, that he has broke both legs three or four times, and has been twice trepanned; but, by the help of good splinting, he is at last perfectly restored, and enjoys his bottle and lads as gallantly as the first peer in the land.

quiet after the drawing of the lottery is over, till the time of raising the supplies for the service of the new year, throws the whole house into a fresh ferment; but for an account of this, I must refer my readers to Chap. IV. and shall conclude this, with relating their manner of spending the vacations. The spring vacation generally begins in April, when such of the gentlemen of the College as are in town, pass their time at the Stock-Exchange, in buying and selling of green peas, mackerel &c. by way of piddling, to keep their hands in at jobbing, till the terms come on again.

The method of playing at this game is, to buy or sell one hundred pecks of green peas for the earliest season, or first coming in, at a particular high price; and the way of adjusting the account is, to send to Mawdslley's to know the price of the first peck of peas that were brought to market, according to which the buyer or seller at the Stock-Exchange regulates his account, and pays, or receives the difference betwixt the

price they were done at by him, and his antagonist, and the price at market. The mackrel bargains are generally for one thousand, at their first coming in, and are adjusted much in the same manner; for as soon as they are cried about the streets, the contending parties buy as many as they want for a dinner; and this settles their accounts, and furnishes them with a delicate repast. Now as these gentlemen follow only their own weak judgments, or the price of the preceding year, in this sport, I should think an understanding gardener, and a skilful fishmonger, might have the best of the game: for the one might give a better guess by observing the backwardness or forwardness of the spring, and the other by knowing the run of the market at Billingsgate.

Another manner of spending the vacation was, in insuring on the lives of such unfortunate gentlemen, as might happen to stand accountable to their country for misconduct. I am not willing to disturb the ashes of the dead, or I could give an in-

stance of this cruel pastime, the parellel of which is not to be met with in the history of any civilized nation : but I hope we shall hear no more of such detestable gaming ; and therefore, as a scene of this kind, fully laid open, might astonish, but could not convey instruction, humanity bids me draw the veil, and not render any set of men unnecessarily odious.

A practice likewise prevailed of insuring the lives of well-known personages, as soon as a paragraph appeared in the news-papers, announcing them to be dangerously ill. The insurance rose in proportion as intelligence could be procured from the servants, or from any of the faculty attending, that the patient was in great danger. This inhuman sport affected the minds of men depressed by long sickness ; for when such persons, casting an eye over a news-paper for amusement, saw that their lives had been insured in the Alley at 90 per cent. they despaired of all hopes ; and thus their dissolution was hastened. But, to the honour of the

principal merchants and underwriters; they caused an advertisement some years since, to be fixed up at Lloyd's coffee-house; declaring, that they would not transact business, with any Brokers who should be engaged in such infamous insurances.

Insuring of property in any city or town that is besieged, is a common branch of gambling insurance, in time of war; but ingenious gamesters, ever studious to invent new, and variegate old games, have, out of this lawful game (for insurance in general is no more than a game at chances) contrived a new amusement for the gentlemen of the College; which is for one person to give another forty pounds, and in case Gibraltar (for instance) is taken by a particular time, the person to whom the forty pounds are paid, is to repay one hundred pounds; but if, on the contrary, the siege is raised before the time mentioned, he keeps the forty pounds. In proportion as the danger the place is in of being taken increases, the premium of insurance advances; and when the place

has been so situated, that repeated intelligence could be received of the progress of the siege, I have known the Insurance rise to ninety pounds for one hundred. A fine field this opens for spreading false reports, and making private letters from the Continent, &c.—but how infinitely more harmless to trifle with property, than to affect the life of a fellow-subject, or to injure him with the public, to serve a private end!

Of sham insurances, (that is to say, insurances, without property on the spot) made on places besieged in time of war, foreign ministers residing with us, have made considerable advantages; it was a well-known fact, that a certain ambassador insured 30,000*l.* on Minorca, in the war of 1755, with advices at the same time in his pocket, that it was taken—our government did not get the intelligence till two days after this transaction, it was the third, before it was made public, and thus, the ambassador duped our people.

who continued to accept premiums till the third day.

I cannot more properly close this chapter, than by leaving upon the minds of my readers this self evident inference from the whole.

“That it is almost impossible for any Broker, who is a jobber (and there are but few that are not) to give candid, impartial advice when to buy into, or sell out of the public funds.”

CHAPTER III.

Of the method of transferring and accepting, or of buying into, and selling out of, the public funds; giving full directions how to transact this business without the assistance of a Broker.—Form of receipts given on transferring stocks.—Explanation of the meaning of $\frac{1}{4}$, $\frac{1}{2}$, $\frac{3}{4}$, $\frac{1}{8}$, being part of the prices annexed to the list of the funds printed in the daily news-papers.—A short method of casting up any odd quantity of stock, at the price of the same per cent.—Laws in force to oblige the clerks of the Bank, and other public offices, to aid and assist all persons whatever, to transfer their property in the several funds.—Penalty on refusal.—Laws in force relative to Brokers.—Advice concerning draughts on bankers—and a particular account of the nature and power of letters of attorney for transferring property in the funds, and receiving dividends.—Frauds described which may arise from granting these letters of attorney.—Reasons for augmenting the incomes of the clerks in the transfer offices.

THERE are numberless transactions in the common course of business, which

are in themselves extremely easy to perform; but which some, through ignorance, others, through prejudice, and many more, for want of resolution, commit to the care of others; and assign them a salary they often can but badly spare, for the execution of that, which, with a little industry and attention, they may be masters of themselves in a few days.

Of this number is the business now under our consideration, which by the force of custom has been consigned to the management of a set of men, who were unknown to society till within the present century; and who, by way of gratitude, very fairly attempted, in the year 1720, to turn their masters out of doors; or, in other words, who, not content with their stated allowance of *two-shillings and six-pence per cent.* for brokerage, laid a plan for appropriating to themselves the whole fortunes of their employers, in which, for a short time, they succeeded to a miracle; and they have ever since been piddling with the public property, and enriching them-

selves, at the expence of the innocent and unwary.

It is indeed very hard to account for the folly and madness of the public, which has given to these their lowly servants, an almost absolute power over the whole mortgaged property of the nation. Yet such is become the case, A Broker, if he can possibly avoid it, will not transact any business in the stocks, but with another Broker, and they are to settle together as they please, the value of every man's property in the funds.

If, besides the government annuities, and the other transferrable stocks, India bonds, Exchequer, Navy, and Victualing bills, and all other public securities for money are considered as passing through their hands; the extent of dealings, lying at the mercy of these people, must astonish all thinking men, especially as it is well known that they form combinations sufficient to terrify all stock holders, and carry on such jobbing schemes as are

highly detrimental to trade, and to both public and private credit.

Let it then be every man's care, who has any property in the funds, to prevent the increase of the power, and influence, as well as of the number, of these invaders of their property, by boldly and manfully resolving to transact his own business. Do you want to buy? Search the lists already mentioned in Chap. I. and when you have determined what fund to buy into, (suppose *three per cent. consols.* which I have recommended in the same chapter,) go boldly to the office where the fund you have made choice of is transferred; and be not dismayed at the wild uproar and confused noise which will at first strike your astonished senses—many of you have supported more for your amusement, on the first night of a new play; and others, at the nocturnal revels of the choice spirits; and will you not endure this temporary inconvenience for the valuable purpose of becoming the managers

of your own property, and to save yourselves the expence of brokerage!

Advance then, and attend a few minutes to the confused cries that resound from all quarters; and you will soon find what you want—a seller of the sum you propose to buy—you have only to demand the price, which, if there has been no particular news to occasion a sudden variation, you will find, by comparing it, to be nearly the same with that of the preceding day; if he is a common seller, he will name you the whole price, *viz.* 49 $\frac{1}{4}$, or whatever it happens to be, for *three per cent.* consolidated annuities; but if he is a Doctor, or Master of Arts, he will only tell you the fraction of the price, *viz.* $\frac{1}{8}$, $\frac{5}{8}$, or $\frac{3}{4}$; and if he finds you do not know the principal sum, he will thereby be assured that you are not a Broker, and will probably quit you in search of one, for his interest is, to deal with none but Brokers, as your's is, to do your business without them; therefore let him go; you will soon be accosted by some other seller, who perhaps is not a

Broker, for there are plenty of such every transfer day ; and it is your business by adding one, to increase the number.—Should you wait a little, and no person offers to sell to you, venture to exert yourself, and call out lustily, that you are a buyer of the sum you want, whatever it be,—trust me, you will find very little difference betwixt the articulation of the few words requisite upon this occasion, and the common aspiration you are sometimes forced to make use of in calling for your servant, or for a coach in a shower of rain.—When by this means, you have found a seller of the sum you want, you will, very often, be obliged to give the turn of the market, that is, if it is a doubt whether the market-price is exactly that which he asks, or rather inclined to fall $\frac{1}{8}$ beneath it, you must give the turn of the scale to get your business done ; and this you will be obliged to do nine times out of ten, if you employ a Broker—the better to understand the price, observe the following table, which is

inserted for the use of the many hundreds, who read the public news-papers, without knowing the meaning of the fractional parts annexed to the price of the funds.

		s.	d.
$\frac{1}{8}$	is	2	6
$\frac{1}{4}$	— —	5	0
$\frac{3}{8}$	— —	7	6
$\frac{1}{2}$	— —	10	0
$\frac{5}{8}$	— —	12	6
$\frac{3}{4}$	— —	15	0
$\frac{7}{8}$	— —	17	6

By this table you find, that if you are asked $49\frac{1}{8}$ per cent. for three per cent. annuities, it means *forty-nine pounds seventeen shillings and six-pence*, which is the price you must give for 100*l.* share in them.

Having thus found the price, and agreed with the seller, you have only to give him your name, style, or title, and place of abode; and if in London, you must be careful to name the Street you live in,

the parish not being sufficient; it is also requisite, if you have made any former purchase in the same Fund, that your description now, should exactly tally with that which is already entered upon the books. But should you change your residence, and afterwards make additional purchases, I would advise you to write thus—
A. B. formerly of Surrey Street, in the Parish of St. Clements Danes, now of Hatton Street in the Parish of St. Andrew's Holborn. It is the business of the seller to take care of the transfer, and prepare the receipt, only do you contrive to have the sum you are to pay ready, and as near as possible in bank notes, so that you may not have more than four or five pounds to pay in cash; because the hurry and bustle is so great, that great inconveniences will arise in transacting your business, if you do not observe this rule. If you are well known on the Exchange, and keep cash at any banker's in the neighbourhood, your draught may do as well as bank notes.

Another rule to be observed is, to keep in one part of the room, till the transfer is prepared, that you may be in readiness to answer to your name when called; for if you are out of the way, the clerk will not wait for you, but proceed to other business: the transfer being prepared, and your name called, you are to go to the clerk who has the transfer-book, who will shew you the form in which the seller has transferred the sum agreed for, to you, your heirs, assigns, &c. (which form I would advise you to read the first time, that you may be thoroughly acquainted with the nature of the assignment) you will then be directed to set your name to a form of acceptance of the stock transferred to you, the seller having first set his hand to the transfer; this done, the clerks witness the printed receipt, which the seller gives you, signed by him; and which you must keep as a voucher for the transfer, till you have received one dividend: the only reason for this, that I could ever learn, is, in case the transfer

should by any means be neglected to be posted, and so the dividend warrant should be made out in the name of the old proprietor; but this is a case which happens so seldom that I think no person need be uneasy about losing a receipt of this kind. I must, however, give a caution against keeping these receipts after you have received one dividend, for they then become useless; the cashier having acknowledged your right in the fund by paying you a dividend, and therefore they should be destroyed; for by persons keeping them in families they sometimes cause a great deal of confusion, after their death, especially among the lower sort of people; and prove great disappointments to many, who think, in finding them, they have found a treasure. They immediately apply to the public offices from which the receipts have been issued, and the clerks soon convince them, that they had better have been burnt; the fund having been sold out: I hope, however, they pay nothing for examinations of

this kind, since every executor has an undoubted right, at proper hours, on producing the probate of the testator's will, to examine the books of any public fund (*gratis*) wherein he suspects the testator had any property. Having paid the sum, and taken the receipt, the whole business is transacted; and this is all, with respect to a buyer.*

Let us now explain the business of a seller, who, as has been remarked, has a little more to do than the buyer.

* If you buy from a Broker, or employ one to buy for you, you must take great care that you sign the acceptance in the transfer-book, before you pay your money to the seller, frequent complaints having been made of the conduct of Brokers, who deliver to the purchasers the seller's receipt properly assigned, and take the money for the stock; after which they run away to transact other business, and do not return to see the acceptance signed by the purchaser in the transfer-book. In consequence of this neglect, the directors of the Bank fixed up a printed notice in the transfer-offices, dated in April, 1781; cautioning all purchasers not to leave

As the largest part of the national debt lies in the *three per cent.* consolidated annuities, and as being the cheapest, they are the most dealt in, I shall select them as the properest fund in which to give my explanation of the seller's business in transferring, or selling out, his property. Having found a purchaser (by the means before mentioned in my directions to the buyer) the seller must get a piece of paper, about a quarter of a sheet, and write on it his own name, style, and place of abode, with the sum to be transferred, the fund it is to be transferred out of, and the person's name and description to whom it is to be transferred; to make

the acceptance of the transfer unsigned.—For no dividend warrant can be made out to the new owner of any property in any of the funds, neither can he again part with his property, unless the transfer-book has been properly signed by him; though the transfer has been made to him by the clerks, and his name stands in the body of it with his full description.

this more clear, you have here a form in the *three per cents.* which will serve for any other fund, striking out only the words *Three per cent. Annuities,* and putting in its place, the particular fund you have occasion to transfer.

June 10, 1798.

Thomas Morgan, Esq. of Titchfield-Street,
in the Parish of Marybone,

100*l*. Three per Cent. consolidated Bank Annuities.

To

William Hatchet, Coach Maker, of Long-Acre,
in the Parish of St. Martin's in the Fields.

This paper you must deliver to the clerks that stand nearest to, or under the letter with which your name begins, and to which you will be directed by the letters that are painted at large on the wall; and by this regulation, and some laws in force, but neglected, it appears that the government designed that the proprietors should manage their own business in the funds. Having delivered in your paper, the clerk examines your account; and if he finds you have the property you mention in your paper, he prepares the transfer; and as you are not a Broker, he, perhaps, will not call you when it is ready, therefore your surest way is to attend till it is done; and in the mean time, to be making out the purchaser's bill, which you are to do on a printed receipt; of these, there are a sufficient quantity always hanging up in all the offices; you have therefore only to ask the clerks for them. The better to enable you to perform this part of the business, you have here a form of a receipt, filled up, which

will serve you in all cases, only altering the names, the sums, and the price, as occasion requires; the parts which are left blank in the receipt, and are to be filled up by you, are those printed in *Italics*.

Consolidated 3*l.* per cent. Annuities, at 49 $\frac{5}{8}$

R Eceived this 10th Day of June, 1798, of *William Hatchbet, Coach Maker, of Long-Acre*, the Sum of Forty-nine Pounds Twelve Shillings and Six Pence, being the consideration for One Hundred Pounds Interest or Share in the Joint Stock of Three per Cent. Annuities, erected by an Act of Parliament of the Twenty-fifth Year of the Reign of King *George II*, intituled, An Act for converting the several Annuities therein mentioned into several Joint Stocks of Annuities, transferrable at the Bank of England, to be charged on the Sinking Fund, together with the proportionable Annuity at 3*l.* per Cent. per Annum, attending the same, by me this Day transferred to the said *William Hatchbet*.

£ 49 : 13 : 6

Witnesses my Hand,

Witness,

[Here the clerks sign.]

Thomas Morgan.

Having signed your receipt, and the transfer being ready, you are to sign it in the book ; and then to deliver your receipt to the clerks, who (as soon as the purchaser has signed his acceptance in the book) will witness the receipt, then take your money of the purchaser, and the whole is finished.

By a late regulation, there are six clerks in the new Three per Cent. Consolidated Annuity office, who act as supervisors of the transfers, and witness them, so that now there are two witnesses instead of one, to the transfers and receipts.

There remains yet one difficulty, as easy however to surmount as the rest, which is to cast up *fractional parts, or odd sums*; for it does not always happen that the sums to be bought, or sold, are even, *viz.* 100*l.* or 500*l.* but sometimes a mechanic, or a servant, has saved up twenty or thirty pounds, and wants to buy into the annuities. How shall a common person reckon up thirty-five or twenty-five pounds of annuities at 49 or 50, without a Broker? To make you easy on this head, you have

the following plain and infallible examples, which I am the more particular in, because a great many proprietors of large sums retail out these small sums, and buy them in again, all together, in a capital sum; by which means they make great advantages, and with less risk than in any other way.

Rules for casting up odd quantities of stock, at the current price per cent.

Rule I. If the quantity of stock you want to know the value of, is larger than the current price of one hundred, multiply that quantity by the price of one hundred; then divide by 100, the quotient will give you the value in pounds: then reduce the remainder (if any) by common reduction to shillings—divide again by 100, and the quotient is the value in shillings, and so on to pence.—Observe, that if from the several quotients, you strike off the two last figures to the right, as remainders to be reduced, it is the same thing as dividing by 100, and the figures to the left will be pounds, if the quotient was so; and so on to pence.

To prevent mistakes, I shall give examples of both ways.

Example of the first way.

What must I give for 135l. in the three per cent. annuities at 50, that is to say, when 50l. will buy 100l.?

135
at 50 per cent.

$\frac{\text{£}}{100)6750(67}$
600

750

700

50

20

$\frac{\text{s.}}{100)1000(10}$
100

Example of the second way.

135
at 50 per Cent.

$\text{£ } 67\frac{1}{2}$

20

s. 10:00

Answer £ 67 : 10 : 0

Answer £ 67 : 10 : 0

Rule II. When the quantity of stock you want to know the value of, is smaller than the price *per cent.* then multiply that small quantity by the price *per cent.* and divide by 100, as before directed; but if you are very careful to be exact, the shortest and best way is, to cut off the two figures to the right; for which reason I here give the example of a small sum, according to that method.

Example. What must I receive for 35l. three per cent. consol. ann. when the price is 50 per cent?

$$\begin{array}{r}
 50 \\
 35 \\
 \hline
 250 \\
 150 \\
 \hline
 £ 17 \frac{1}{2} 50 \\
 20 \\
 \hline
 s. 10 \frac{1}{2} 00 \\
 \text{Answer } £ 17 : 10 : 0
 \end{array}$$

If the price happens to be an $\frac{1}{2}$, $\frac{3}{4}$, $\frac{1}{2}$, or $\frac{7}{8}$, in the case, where your quantity is larger than the price per cent. take the $\frac{1}{2}$, $\frac{3}{4}$, $\frac{1}{2}$, or $\frac{7}{8}$, part of the large sum, and throw it in after your multiplication, thus;

$$\begin{array}{r}
 135 \\
 49 \frac{1}{2} \\
 \hline
 1215 \\
 540 \\
 \hline
 6615 \\
 67 : 103 \frac{1}{2} \text{ of } 135 \\
 16 : 12 : 6 \text{ the } \frac{1}{2} \\
 \hline
 £ 66 \frac{1}{2} 99 : 2 : 6 \\
 20 \\
 \hline
 19 \frac{1}{2} 82 \\
 12 \\
 \hline
 170 \\
 82 \\
 \hline
 9 \frac{1}{2} 90 \\
 4 \\
 \hline
 4 \frac{1}{2} 60 \\
 \text{Answer } £ 66 : 19 : 9 \frac{1}{2}
 \end{array}$$

Pursue this method, even when the sum is smaller than the price *per cent.* if it consists of two figures; but if it consists only of one figure, then the shortest way is to multiply that, by the price *per cent.* and to take in the fraction, in one line.

Example. What is the worth of $9l.$ at $49\frac{1}{2}$ *per cent.*?

By the table already given, you know that $\frac{1}{2}$ is $12s. 6d.$ therefore work it thus;

$$\begin{array}{r}
 49 : 12 : 6 \\
 \hline
 9 \\
 \hline
 \text{£ } 4146 : 12 : 6 \\
 20 \\
 \hline
 s. 9132 \\
 12 \\
 \hline
 d. 3190
 \end{array}$$

Answer £ 4 : 9 : 3

It is by this easy and expeditious method, that small shares in the funds are cast up.

I must here appeal to the candid and judicious, and beg leave to ask, if there is

any thing in nature more easy and simple, than the transacting this business? The whole of it does not take up above an hour on the most hurrying days of transfer, and in the common run, not above half the time; and if you have a thousand pounds to buy or sell, you gain, or save, (which is the same thing) *one pound, five shillings*, and this is no inconsiderable premium for half an hour's bustle in a crowd; besides, those who are disposed to take advantage of the variations in the funds, if they do not act themselves, can never make any thing of a variation of $\frac{1}{4}$ per cent. because the brokerage for selling out, and buying in again, will run away with the profit.

The most formidable obstacles to gentlemen's acting for themselves at first, will be the impertinent behaviour of some of the clerks, who are the servants of the public, and are well paid for their attendance: a man of spirit, however, will know how to manage these gentlemen, and, without entering into any altercations with

them, will produce the authority of the laws, as a check to all opposition he may meet with from them. With a view to assist gentlemen in this point, and to save them the expence of purchasing the acts of parliament for raising the several supplies that have been granted for the support of government, I have extracted the following clause from one of them, which I leave to the judicious to make the proper use of, only observing, that those who shall give occasion to any gentleman to make use of it at all, create a suspicion that being now forbid to act as Brokers*, they recommend their friends to particular Brokers, and divide the profit of commission with them.

October 14, 1790.

* B A N K o f E N G L A N D.

Many inconveniencies and frauds having arisen from the Clerks of this house being employed as Brokers in the purchase and sale of Stocks and Annuities, transferrable at this House, contrary to the orders of the Court of Directors, and to the Notices affixed in the Transfer Offices.

Clause of an act of parliament, intituled,
“ An act for granting to his Majesty an
additional duty upon strong beer and ale;
and for raising the sum of twelve millions,
by way of annuities, and a lottery,” &c.

“ And be it further enacted, that no fee,
“ reward, or gratuity whatsoever, shall be
“ demanded, or taken, of any of his Ma-
“ jesty's subjects, for receiving or paying

It is hereby recommended to all Proprietors or
Purchasers of Stocks, or Annuities, as essential to
their security, and to the business of this House
being properly conducted, that they do not em-
ploy any Clerk thereof, in the purchase or sale of
Stocks, or Annuities, transferrable at this House,
as any Clerk who shall be found, directly or indi-
rectly, transgressing the aforesaid orders, will be
immediately dismissed the service.

And all Proprietors of Stocks, or Annuities are
requested to take notice, That by an order of this
Court, no Clerk belonging to the Stock Offices
will henceforth be permitted to accept of a letter
of attorney for the Sale of any Stocks, or Annuities
transferrable at this House.

By Order of the Court of Directors,
FRANCIS MARTIN, Sec.

“ the said contribution monies, or any of
“ them ; or for any tallies or receipt, con-
“ cerning the same ; or for insuring the
“ monies for paying the said several annu-
“ ities, or any of them, or for any transfer
“ of any sum, great or small, to be made
“ in pursuance of this act, upon pain that
“ any offender, or person offending, by
“ taking or demanding any such fee, re-
“ ward, or gratuity, shall forfeit the sum
“ of twenty pounds to the party aggrieved,
“ with full costs of suit,” &c.—By a
clause in the same act, it is enacted, That
the transfer books shall be open at all
seasonable times, wherein all persons may
transfer, assign over, and accept stock ;
and in their absence, their attornies (law-
fully authorised) may do it for them ; but
not a word is said of Brokers.

Every money bill for constituting trans-
ferrable annuities has the same clauses, so
that the legislature leaves the power and
method of transferring open to every
body ; and as free for a servant, who has
only ten pounds to lay out, as for a mer-

chant with twenty thousand; and in most of the money bills it is expressly enacted, That the clerks in the transfer offices shall aid and assist strangers to transfer their property.

And they have now no excuse for refusing their best exertions in favour of the public—the measure repeatedly recommended in the early editions of this Treatise having been adopted—for on Thursday, October the 14th, 1790, the Governor, Deputy-Governor, and Court of Directors of the Bank of England, came to a resolution of advancing the sum of 10*l.* a year to all such of their clerks as had been for four years in their service.

If, after all therefore, mankind will shut their eyes against their own interest, I can only lament their blindness, and sit down satisfied with my intention to do a public good; which, in a variety of instances communicated to me, has had the desired effect. The ingenious Mrs. Centlivre, in her comedy of, “The Bold Stroke for a Wife,” written early in the present century,

introduces a Stock-Broker, who upon seeing two gentlemen enter Jonathan's coffee-house, says to his brethren, "I would fain bite that spark in the brown coat; he comes very often into the Alley, but never employs a Broker." In this short sentence, she has happily expressed the sentiments of the whole fraternity, and their adherents; and has given us a hint, that even in her days, sensible people saw through the fallacy of employing Brokers, and transacted their own business; and if this was the case then, how much greater reason is there for it at present, when our funded debt is annually increasing, and the brokerage consequently must amount to a prodigious sum?

I shall take my leave of this part of my subject with assuring my countrymen, that, if it be necessary to give farther instructions, it shall not be wanting, while a printing-press is to be found in this metropolis; and, in consequence of this decla-

H

ration, all letters, and enquiries relative to the funds, (if sent post-paid) to the publisher, shall be duly taken notice of in the next edition.

I have already mentioned the convenience of carrying bank notes to buy stock with, or, if you are well known, of drawing on your banker; and here I must add a remark or two about taking bank notes, and drafts.

When you are paid in bank notes, for any stock you have sold, be careful to examine, if the notes are above a year old; for if they are, you should insist on having them examined, and marked in the accountant's office in the Bank, before you take them; the mark of examination you will observe in red ink on the face of the note, referring to the number in which it stands entered in the Bank-books of notes issued. If you are paid by the purchaser's draft on a banker, remember to go and receive it as soon as convenient, any time before five in the afternoon of the same day; the reason is

obvious, *viz.* that a man may have cash at his banker's in the morning, and may draw it all out before night; therefore it is proper, according to the common course of business, to present the draft the same day you receive it; for you have no remedy if payment should be refused the next day.

But the safest way, when a purchaser proposes to give a draft on his banker by way of payment, is to desire him to draw on the back of the receipt you are to give him as before directed; for by this means you do not part with the receipt till you have received your money at the banker's.

Of letters of attorney I think it necessary to observe, that such as are proper for all transactions in the funds, are to be had at the Bank, South-Sea, and India Houses; for which you must pay 1 *rs.* and 6*d.* and that people should be very careful what sort of letters of attorney they give, as some are only for receiving of dividends;

some for buying; others for selling; and *general* ones are for buying and selling, and receiving of dividends: the last, convey a most absolute and unlimited power; and have sometimes been given by ignorant people in the room of others, who have thereby put their property into the hands of jobbers, who have lost it all in stock-jobbing, amusing the proprietor, in the mean time, by a punctual payment of the dividends.

This caution particularly merits the attention of persons residing in the country, at a great distance from London, and who very rarely visit it, perhaps hardly once in seven years. These should consider, that by giving a general power of attorney to any agent in London, they absolutely make over their property for a time, till this power is revoked; and they open the door, by leading into temptation, to divers species of fraud, which may in the end deprive them of their property, and expose them to the necessity of making public examples of their fraudulent agents. A mortifying

circumstance indeed, when the criminal happens to be a near relation; and of this we had a melancholy instance some years since. A person possessed of a general power of attorney to buy, sell, and receive dividends for another, residing in the country, has it in his power, upon any emergency, to sell out, and replace the property entrusted to him, between the times of paying the half yearly dividends, without the knowledge of his principal; for if the sum be standing in the transfer books in the same name, at any one given time of making out the dividend warrants, that it did at a former period, no notice will be publicly taken of intermediate transfers, if it had been sold out, and bought in again twenty times; but when a principal suspects his agent; I would advise him to write secretly to some other friend in London, desiring him to go to the books, and examine his account, at some unknown period, between the times of paying the dividends: if the property

has changed hands, it will appear by this method, for the temporary transfers will have been posted regularly in your account; though if the property remains unaltered when the dividend warrants are made out, the clerks have nothing to do with these transactions. To make this matter intelligible to every person interested, let me suppose that a country gentleman, who has 1000*l.* 3 per cent. consol. annuities, gives a general power of attorney to a young tradesman, or to any agent in London, who is occasionally in want of a considerable sum of ready money; can any thing be more easy than to sell out the whole, or any part of the country gentleman's fund between the stated times of paying the dividends, and to buy it in again, just before a dividend becomes due? Can there be a greater temptation thrown in the way of a young person, to turn stock jobber, to which he will probably be advised by the very Broker he has employed to sell, and buy in again, as he wanted the money, or has been able to re-

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place it? And may not frequent sporting with the fund, at length carry him one step farther, if sudden adversity overtakes him, even to the last stage of iniquity, that of selling out, and never replacing it? I should not have entered so minutely into this subject, if fatal examples of frauds of various kinds committed in consequence of powers of attorney imprudently entrusted, had not made it expedient. One victim to public justice exceeded all his unhappy predecessors; for he forged the will of a living relation (whose dividends he used to receive) purporting a bequest of her property in the funds to himself, and by means of this imposture, actually sold out the property without suspicion; the clerks having been accustomed to have the hand-writing of the principal to the power of attorney, produced by the young man, could not be expected to examine nicely the appearance of the same hand, signed to a will properly witnessed: but the arrival of the unfortunate lady, in good health, at the office, to receive

her dividend personally, thereby revoking the power of attorney, discovered the theft, and put it out of her power to save the culprit. For it is to be observed, that in such cases, the offices are obliged to repair the loss of the sufferer, having been imposed upon by forgery; and therefore the Bank, or any other public company, where the event happens, become the prosecutors, for which reason no pardon is ever granted!—and as it may well be imagined, those whom we could venture to invest with such powers must be near and dear to us—how unspeakable must be the regret!—how pungent the sorrow, for having been the innocent cause of the destruction of a friend, or relation!

As to the laws in force relating to Brokers, they lie within the jurisdiction of the right honourable the lord-mayor, and court of aldermen, who have enacted, “That every person who acts as a Broker, within the city of London, shall be impowered so to do, by being sworn in before the lord-mayor, and giving bond for his fidelity,

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and good behaviour; and likewise for the payment of forty shillings per annum into the comptroller's office."—The form of this bond may be had at the said comptroller's office, in Guildhall, as likewise a list of licensed Exchange-Brokers, amongst whom will be found a few Stock-Brokers, but not one half of the famous college, two-thirds of which are not licensed by any authority but their own. On examining the bond, it will appear that Brokers are not to assemble in 'Change-Alley—nor to have any property in the funds, in which they transact business, by commission. The first clause respecting their assembling in 'Change-Alley is now become useless, as the Brokers assemble at a very large coffee-house, called the Stock-Exchange, and have besides spacious rooms in the Bank, adjoining to the Transfer-Offices, where they prepare their business before they transact it in the offices. But the other clause ought to be strictly enforced, for a partial and interested line of conduct will ever be the

consequence of Stock-Brokers being deeply concerned for themselves in jobbing accounts in the various funds, at the time they are employed to buy and sell for principals.—One remark I cannot omit; which if the honourable court just mentioned (for whom I have the most profound respect) should view in the same light, they will probably alter the manner of admitting Brokers.—The Broker, on his admission, gives only his own personal bond, in the penal sum of 500*l.* for his fidelity to the public; but he finds the security of a substantial housekeeper, for the forty shillings per annum payable to the city;—how unequal this measure!—A Broker, during his whole life, cannot owe the city above 150*l.* but he may in an hour forfeit the 500*l.* to the public.

Having thus given the plainest and most ample directions for transacting business in the funds, I shall close this chapter, for the satisfaction of all whom it may concern, with the genuine form of the Broker's bond.

KNOW all men by these presents, That I am held and firmly bound to the mayor and commonalty and citizens of the city of London, in five hundred pounds good and lawful money of Great-Britain, to be paid to the said mayor and commonalty and citizens, or their certain attorney, successors, or assigns. To which said payment, well and truly to be made, I bind myself, my heirs, executors, and administrators, firmly by these presents. Sealed with my seal, this day of in the year of the reign of our Sovereign Lord by the grace of God, King of Great-Britain, France, and Ireland, defender of the faith, and in the year of our Lord one thousand seven hundred and

WHereas the above bounden is, by the court of lord-mayor and aldermen of the city of London, allowed to be admitted and sworn a Broker within the same city and the liberties thereof, to have, use, and exercise the said

office and employment, during the pleasure of the said court, and no longer. Now the condition of this obligation is such, that if the said ~~man~~ for and during such time as he shall and doth continue in the said office and employment, shall and do well and faithfully execute and perform the same, without fraud, covin, or deceit; and shall upon every contract, bargain, or agreement by him made, declare and make known to such person or persons with whom such agreement is made, the name or names of his principal or principals, either buyer or seller, if thereunto required; and shall keep a book or register, and therein truly and fairly enter all such contracts, bargains, and agreements, within three days at the farthest after making thereof, together with the names of the respective principals for whom he buys and sells; and shall, upon demand made by any or either of the parties, buyer or seller, concerned therein, produce and shew such entry to them, or either of them, to ma-

nifest and prove the truth and certainty of such contracts and agreements. And for satisfaction of all such persons as shall doubt whether he is a lawful and sworn Broker or not, shall, upon request, produce a medal of silver with his Majesty's arms engraved or stamped on the one side, and the arms of the city with his name on the other. And shall not directly, or indirectly, by himself, or any other, deal for himself or any other Broker, in the exchange or remittance of money, or in buying any tally or tallies, order or orders, bill or bills, share or shares, or interest in any joint stock to be transferred or assigned to himself or any Broker, or to any other in trust for him or them, or in buying any goods, wares, or merchandizes, to barter or sell again upon his own account, or for his own or any other Broker's benefit or advantage; or make any gain or profit in buying or selling any goods, over and above the usual brokerage. And shall, and do discover and make known to the said court of lord-mayor and aldermen,

in writing, the names and places of abode of all and every person or persons, as he shall know to use and exercise the said office or employment, not being thereunto duly-authorised and empowered as aforesaid, within thirty days after his knowledge thereof. And shall not employ any person under him to act as a Broker, within the said city and liberties thereof, not being duly admitted as aforesaid. And shall not presume to meet and assemble in Exchange-Alley, or other public passage or passages within this city or liberties thereof, other than upon the Royal-Exchange, to negotiate his business and affairs of brokerage, to the annoyance and obstruction of any of his Majesty's subjects, or any other, in their business or passage, about their occasions: then this obligation to be void and of none effect, or else to be and remain in full force and virtue.

Sealed and delivered

(the paper being first

duly stamp'd) in the presence of

Every Exchange Broker has a silver ticket delivered to him by the court, having his christian and surname engraved thereon, with the date of his admission, and on the reverse the city arms; this medal he is obliged to produce, if required, as his warrant for transacting the business of a regular Broker, within the jurisdiction of the City of London.

 CHAPTER IV.

Giving an account of the method of raising the annual supplies granted by parliament, for defraying the public expences of the state.—Of the manner of subscribing, and of buying and selling subscription receipts, for three per cent. annuities, and lottery tickets.—Distinction betwixt subscription paid in upon in full, or only paid in, up to the time of sale; called (in the language of Stock-jobbers) Light Horse and Heavy Horse.—Difference betwixt subscription and Omnium, vulgarly known by the names of Scrip, and Omnium Gatherum.

IN times of peace, the ordinary annual revenues of the state proceeding from the duties on the importation of merchandize, called **THE CUSTOMS**; and from the inland **TAXES** and **EXCISES** on almost every article of consumption, and every convenience of life, have been made, under the administration of **MR. WILLIAM PITT**, the present minister of the finances, to produce more than sufficient to defray the expences of the civil and military esta-

blishment of government, together with the annual interest of the funds.

But in times of war, the exigencies of the state require very large supplies, over and above the usual revenue; and the method of raising these supplies for many years past has been by redeemable annuities, bearing an annual rate of interest till redeemed, and transferrable at the Bank of England, to which have been annexed, by way of *douceurs*, (when the value of money has been more than the interest of the annuities) lottery tickets, and determinable annuities for a certain number of years. It is the duty of the Chancellor of the Exchequer, who very often is likewise first Lord of the Treasury, to find out ways and means of raising these supplies, which he does by setting on foot, a subscription for a loan to government of the whole sum wanted, over and above the ordinary revenues of the state. The Minister is guided, in the terms he proposes to the money-lenders, by the value of money at the time of applying for the loan, and by

the circumstances of the nation. If *five per cent. per annum* can be had for the loan of money upon the best landed security, then it is evident, that if the minister means to raise several millions upon *three per cent.* transferrable annuities, which are not worth more than 60*l.* for every 100*l.* share, he must give certain *douceurs* for every 100*l.* lent him in money, to make up the deficiency, both of principal and interest. This is done by a profit on lottery tickets, and by determinable annuities, in a ratio that will be explained hereafter.

When the parliament has voted these supplies, the subscription to the loan is either open to the public, in which case every responsible person is at liberty to apply, by a proper letter to the right honourable the lords commissioners of the treasury*, for leave to be admitted to be

* The letter should be directed to one of the secretaries, desiring him to lay your request before the first lord and the rest of the board. Mr. Rose is the present secretary, to whom such letters should be addressed.

a contributor, naming in his letter the sum he desires to contribute ; or else it is private ; that is to say, a certain number of persons of fortune have agreed to be answerable for the whole sum to be subscribed ; and have made the required deposit.

This latter mode having been preferred for some years past, the only step to be taken, by those who are not of the number just mentioned, is to apply to some of them, for such part of the subscription as you want, which, if you are a particular friend, they will, perhaps, spare you without any premium, or for a very small one ; for it is not to be presumed, that any small number of men, who have subscribed for the whole sum to be raised, intend, or can keep it, but that they propose to include in their subscription, all their friends and acquaintance. Sometimes the subscription lies open to the public at the Bank, as in the instance of the Loyalty Loan of 18,000,000*l.* opened on the first of December, 1796, for the

service of the year 1797; or at the Exchequer, and then, every person is allowed to subscribe what he thinks proper; and if, upon casting up the whole, there is a surplus subscribed, as has generally been the case, the sum each subscriber has subscribed, is reduced in a just proportion, so as to make, in the whole, the sum granted by parliament.

When the subscription is full, the list of names, with the sums allotted to each, is sent to the Bank; and as soon as conveniently may be, after the subscription is closed, receipts are made out, and delivered to the subscribers, for the several sums by them subscribed: and for the conveniency of sale, every subscriber of a considerable sum has sundry receipts, for different proportions of his whole sum, by which means he can the readier part with what sum he thinks proper; and a form of assignment is drawn upon the back of the receipt, which being signed, and witnessed, transfers the property to any purchaser.

The first deposit is generally of *ten* per cent. and is made on or about the time of subscribing; the second is about a month after, and so on till the whole is paid in, which is generally in November; each monthly payment being either ten, or fifteen per cent. Those who choose to pay the whole sum before the appointed days of payment, are allowed three per cent. discount, from the time of such payment to November, or any other period, when the whole is required to be paid in, by instalments. The subscription receipts thus paid *in full*, are called at the Stock-Exchange, **HEAVY HORSE**, because the gentlemen of the House can make greater advantage than *three per cent.* by the **LIGHT HORSE**, and therefore they will not give near so good a price for the Heavy; nay, some of them will absolutely have nothing to do with it, for this reason; that they can buy a thousand pounds, Light-Horse (with one payment made) for the same money as one hundred pounds Heavy, and by buying the light, they

have an opportunity of sporting with, and gaining a profit on, a nominal thousand, for the same money that it would cost to buy an hundred Heavy.

LIGHT HORSE, therefore, is a commodity to job with, and opens a most extensive scene of it; to illustrate this, I shall state the scheme for raising the sum of 17,000,000*l.* by a loan for the service of the present year, 1798, as it was voted by the House of Commons in the last session of parliament.

For every 100*l.* subscribed, the subscribers are allowed a capital of 150*l.* in *three per cent. consol. annuities*, transferrable at the Bank of England, valued at the current price, in the month of April, when the contract was made, *viz.* 49*l.* in money, for 100*l.* share in the said annuities.

Valuation of 150*l.* . . . at 49, is £73 10

Also, 50*l.* in three per cent. reduced annuities, valued . . . at 48, is 24 0

Also, 4*s.* 11*d.* long annuities, for the term of 62 years, value 2 10

Cash £100 0

The payments to be made by the following instalments.

April 30, deposit 10*l.* per cent.

May 23, ——— 15*l.*

June 22, ——— 15*l.*

July 20, ——— 15*l.*

August 23, ——— 15*l.*

September 21, ——— 10*l.*

October 23, ——— 10*l.*

November 23, ——— 10*l.*

—————
100*l.*

Discount for prompt payment three per cent.

By this calculation it does not appear that the subscribers receive more than an equivalent for the sums subscribed; but let it be remembered that, besides the chance of great profit from a considerable rise in the value of the capitals, they enjoy an annual interest of six per cent. independent of the *douceur* of 4*s.* 11*d.* long annuities. To which if we add the discount for prompt payment, and the present premium of two per cent. it will be found that those persons who, having spare money by them, and subscribed with an in-

tention to vest their property in the funds, (not to job with their subscription) gain full *ten* per cent. At the same time, an act of parliament remains in force, restricting legal interest to *five* per cent. and punishing as usurers, with the forfeiture of treble the sum lent — “all persons who shall take more than *five* per cent. per annum, interest, or premium, on any sum of money advanced by way of loan, on any real or personal security whatever.” Would it not have been proper to have raised the legal interest of money to *six* per cent. by a new act of parliament, the moment that money rose to the value of more than five per cent. and consequently that government itself was obliged to give more, and in fact, to violate its own statute law?

However, the premium, or profit, upon the whole, to the subscribers, will be more or less, according to the value of the several articles, which varies almost every day; and few of the subscribers keep their whole subscription undivided; therefore

as each article is saleable apart, there is always a sufficient quantity of each in the market, as soon as the receipts are out (which is generally after the second payment) and happens most commonly in May: the receipts for the three per cent. annuities are called by the Brokers, Scrip. and Light Horse; that is, they are convenient troops, that do not cost much to maintain; and may be disbanded with much greater ease than the Heavy Horse.

The conveniency of Light Horse, or Scrip. is this; that in the month of May, for instance, just after the second payment, a person may buy receipts for 200*l.* Scrip. 1798, for twenty-five pounds, or less, if the price falls below 49; he may therefore justly call these receipts LIGHT HORSE; and the great advantage of holding them is, that if a small rise happens, you make the same profit on the nominal sum, as if you had actually made all the payments.—You will likewise more readily find purchasers for such receipts;

for no man, who buys with a view of selling again, when a favourable opportunity happens, will choose to give 100*l.* for that which he can buy for twenty-five pounds, and turn it to the same account.

It is easy to conceive what a vast field is opened by this means for jobbing, as a man possessed of 100*l.* in cash might purchase 800*l.* Scrip. after the second payment; and if he could not sell it again to advantage before the next payment came on, nor conveniently make that payment, he might put it out to nurse, that is, deposit it in the hands of some Banker, or other monied man, who, for a proper consideration, would pay in upon it, and keep it as his security, till the proprietor had an opportunity of selling it at a considerable premium; which he would do sooner or later, if he had any skill—in private letters from Paris, Hamburgh, Radstadt, or the Indies.

This part of jobbing is, however, the least to be found fault with of any, because every man has an undoubted right to buy and sell as often as he thinks proper; but then

it may reasonably be supposed, that the great advantages arising to the Brokers from the annual circulation of Scrip. and the opportunity every man has of sporting in the House with small sums, has co-operated to obstruct the carrying into execution many better schemes for raising the supplies; because from the nature of them, they would have been open to the public, and could not have passed through the hands of the Brokers, or their adherents. The year 1756, or 1757, I think, furnished us with an instance of this kind, when a scheme for raising the supplies on a new plan, admirably calculated to prevent the increase of the national debt, and as advantageous to the public as any that has since been accepted, lay at the Bank for several days unfilled; and was obliged to be laid aside, though it was drawn up by that able financier, and truly great man, the late Mr. Legge, at that time Chancellor of the Exchequer; and for no other reason that ever I could find,

but because the Brokers universally cried it down, and advised all their clients to have nothing to do with it; for this obvious motive, that the whole transaction was to be betwixt the people and the government; and these gentlemen could reap little or no profit from it.

Lottery Tickets are likewise divided into Light and Heavy Horse; the former of which answering the same purposes as Scrip. it is needless to say any thing farther on this head.

OMNIUM is the whole subscription undivided; and is known at the Stock Exchange by the name of *Omnium Gatherum*, a cant phrase for altogether.

Whoever considers with attention what amazing sums the government of Great-Britain has been enabled to raise in the easy manner just described, will find that, independent of the mischiefs arising from stock-jobbing, the stupendous fabric of public credit, built on that solid foundation, the inviolable faith of parliament, has accomplished the greatest events for

the glory, welfare, and preservation of these realms: it has supplied to us the want of gold and silver mines, and of amassed treasures, which were the resources of ancient states and empires in time of war: by the strength of public credit, money has been raised for the extraordinary expences of the state, at the most critical junctures, and under the most trying circumstances, with greater expedition than it could have been coined in other countries; and all the unemployed money of Europe has been lent to this country, because the interest, or annual annuity agreed on, has always been punctually paid, while at the same time the market has been kept open, by which means the proprietors of any of the funds have constantly an opportunity of recovering their principal, whenever they are disposed to withdraw it, by transferring their property to new purchasers; sometimes indeed with a small loss, but oftner with gain.

Posterity will hardly believe, that three or four private subjects of Great-Britain should be able to engage in a loan to government of eighteen millions sterling; and that their credit was so entirely to be depended on, that on the bare subscribing of their names, and making a small deposit, administration should with confidence engage in the most extensive operations of war, and send forth fleets and armies with the same alacrity and expedition, as if the whole eighteen millions were actually deposited in specie, in the office of the Exchequer. In a word, this extent of our national credit is a standing miracle in politics, which, independent of all other causes, gives a superior weight and influence to Great Britain in the affairs of Europe, upon all important occasions, and in times of war, commands the most powerful alliances.

CHAPTER V.

Of India bonds.—Form of making out bills for selling of them.—Account of Navy and Victualing bills, and of Exchequer bills.—Directions how to avoid the losses that frequently happen from the destruction of Bank-notes, India bonds, and other public securities for money, by fire, and other accidents.—Legal advice to persons finding Bank notes, Bills of Exchange, or other securities for money, &c, &c.

INDIA bonds are the most convenient and profitable security any person can be possessed of, who has a quantity of cash unemployed, but which he knows not how soon he may have occasion for; the utility and advantage of these bonds is so well known to the merchants and traders of the city of London, that it is wholly unnecessary to enlarge upon the subject. There is as little trouble with an India bond, as with a Bank note: it is not indeed current in the common course of business, but may always be sold in office hours,

at any of the public offices, as well as at the Stock-Exchange; and the method of making out the bill is this—Take a quarter of a sheet of paper, and write,

Sold to Sir Friendly Maddison, June 1, 1798.

	l.	s.	d.
One India Bond (B. 207)	100	0	0
Interest 2 months 17 days	1	1	3½
Premium	0	0	0

N. B. They have long been at par

101 1 3½

When you want to buy, you have no further trouble but to agree on the price, for the seller is to make out the bill.

These bonds are usually for 100l. each; and the seller receives the interest of the purchaser up to the day he sells; they carry at present *five* per cent.

Navy and Victualling bills are delivered from the Navy and Victualling offices, to such persons as contract with them for fundry provisions and stores for the service

of our fleets: while they are in circulation, they constitute part of the Navy debt. By a regulation which took place in 1797; they are now made out in the form of Bills of Exchange, payable at 90 days after date, and bearing an interest of $3\frac{1}{4}$ d a day, on every 100l. They are issued for various, and most commonly for large sums, and the possessors of them, when in want of money, bring them to market.

They are dangerous things to lose, if endorsed; and not being a general commodity, because they are mostly for large sums, they are confined to a few hands; and to the public in general, for whose service I write, they are, upon the whole, not the most eligible commodity; though to particular people, who can afford to lie out of their money some time, and have large sums to spare for this purpose, they are very advantageous.

There are likewise ~~non~~-interest Victualling bills, issued by the Victualling office only, for balances due to pursers of ships.

These gentlemen to be sure, carry on a very profitable trade; a purser's place of a 74 gun ship being worth 5 or 600*l.* per annum, besides prize-money; but what they refund to the discounters of bills bearing no interest, seldom transpires.

Exchequer bills are drawn by authority of parliament, and the following is the form of one, now before me, issued in 1789.

"This bill entitles *the bearer* to one hundred pounds, with interest at *three-pence* by the day for the same, payable out of the first aid to be granted for the year 1790: and if no such aid should be granted before the 5th day of July, 1790, then out of the sinking fund. But this bill is not to be current or pass in any of the public revenues, aids, taxes, or supplies whatever, or at the receipt of the Exchequer, before the 5th day of April, 1790."

Navy bills are frequently paid off in part by Exchequer bills, and these generally bear a premium, so that the holders

of Navy bills prefer this mode of payment to cash.

The small amount of Exchequer bills, formerly issued, occasioned them to be confined in few hands, but of late years, two or three millions being issued yearly, and regularly paid off out of the aids of the ensuing year, they are become very current at market, and are more eligible than India bonds; as being a parliamentary security, and as readily turned into money upon any sudden emergency.

I shall here subjoin a few directions how to avoid the frequent losses that are sustained by the destruction of Bank notes, India bonds, &c. which, however simple they may be, will be found not the less useful, and may not have entered into the heads of those who stand most in need of them.

A great many people have iron chests, and a sort of iron caves placed in brick-work, in their cellars; these, no doubt, are very secure: but there are numbers

who are not situated in places where these conveniences are to be had, and if they are, perhaps cannot afford them: yet they have often, in the course of business, Bank notes, India bonds, and other securities, the loss of which may be more fatal to them than to the rich, who have these means of security: these therefore I advise to take the numbers, and principal contents of all public securities for money, in a small memorandum, or pocket-book, to be kept always about them; so that if they escape from a fire with only their cloaths, they may be able to swear to, and recover their property. What makes me the more particular in giving this direction, is, that I have observed several tradesmen, when they go out of town, lock up their notes, and the books in which they are entered, in the same counting-house, and sometimes in the same desk; than which nothing can be more absurd: for, even when at home, it is much better to have such a memorandum about you, as you have thereby the less to think of, and the less

hazard to run, in case of fire. I think this hint might in many cases be extended to an abstract of debts; but this I submit to better judgments, as not knowing whether such an abstract would be valid in a court of equity.

But at all events, it should be followed, with respect to every species of paper security, payable to bearer; for, independent of the accident of fire, if a note, bill, or bond is lost, you have no means of recovering it, if you have not a memorandum by you, kept apart from the security enabling you to trace it, and to give notice at the proper offices, that the person who offers it for payment may be detained, till you arrive to examine him, how he came by it. For, as to stopping payment, that is a deception, though daily advertised; bills, payable to the bearer must be honoured.

The following example may be of use in illustration of this subject. A highwayman robbed the mail some years since on the Western road. He afterwards came

to London, hired a post-chaise, travelled in the character of a gentleman, took a fresh chaise at every post-house, and changed a small bank note (taken out of the mail) at almost every inn, and in this manner returned to town by the Eastern road; he was apprehended, tried, convicted, and executed. In the mean time, many of the notes were tendered at the Bank for payment, and the owners having given in the numbers and value, payment was refused, till the point of property was tried, and it was determined in the court of King's Bench, before Lord Mansfield, that the Bank must pay the bearer, otherwise the free circulation of their notes as cash would be stopt. The loss sustained by the owners in this case was recoverable only from the General Post-office; and this could not be effected, without a separate account having been kept of the number and value of the notes.

However, with respect to Bank notes sent from the country to London by the post, there are other precautions usually

taken—viz. cutting the notes in half, and sending one part by one post, and the other by the next. Also, endorsing on a whole note; these words—"Sent per post, —day of — to Mr. —, Merchant in London;" which endorsement would prevent any honest person giving cash for them, if they were stolen out of the mail. And persons remitting from London to the country, or travelling, should make use of Bank post-bills, which are made out to the owner or order, instead of the bearer, and being payable only a certain number of days after sight, (generally seven) must be carried to the proper office in the Bank for acceptance, which gives time to the owner if he has been robbed, or has lost a Bank post-bill, to stop acceptance, and recover his property. Another advantage is, that being made to order, it cannot be circulated without the owner's endorsement, which he should not put till he wants to convert it to cash.

And here, let me add, a few necessary observations respecting the finders of Bank

notes, and all other species of property whatever, convertible into money.

Men of honour and strict integrity, will want no moral or legal hints to remind them of the Christian duty of restoring lost property to the right owner.

But the indigent, who are too apt, like the callous inhabitants of some sea-coasts, to call any thing found, as they do a wreck cast on shore, *un don de Dieu*, a gift of God, should be reminded, that they are legally entitled to the *reward advertised*; and in case no advertisement should appear within a few days after they have found any Bank note, banker's draught, bill of exchange, or any other species of property whatever; it is their duty to insert an advertisement in some of the daily news-papers, requiring a moderate reward, if they are in such poor circumstances, as will justify such a demand. Yet, (as it may happen) if the avaricious, or narrow-minded owner, refuses a reward, and only gives notice where the property is to be restored, the Finder has

no legal right to detain it; and if he attempts to convert it into money, by offering bills for payment, or by the sale of other effects for money, he is liable to a prosecution for felony. The Judges at the Old-Bailey, and the Justices at the Quarter Sessions of the Peace for the cities of London and Westminster, have lately declared, in a solemn admonition from the bench—that this is the law of the land.

And the author of this little manual, ever anxious to render it as useful to his fellow-subjects as possible, embraces this opportunity, to circulate their benevolent caution. At the same time, let the holders of property in paper remember, that it is their indispensable duty to offer moderate rewards, when losses happen; and that if they do not—*unjustifiable* resentment may prompt the poor, or the dishonest Finder, to *destroy* that property, from which he can derive no benefit.

CHAPTER VI.

Of the origin and progress of public credit in England.—The origin of banking.—Establishment of the Bank of England—Its progress.—Present administration; and remarks on the temporary suspension of payments in cash, since the 27th of February, 1797.—Of Bankers.—Of the Aggregate Fund—And of the Sinking Fund.

HAVING had occasion to mention the great advantages arising to this kingdom, from the flourishing state of its public credit, in time of war, it has been thought necessary by some gentlemen, who have perused my treatise on the Elements of COMMERCE, POLITICS, and FINANCES*, that I should borrow from that work, a more ample explanation of a subject so closely connected with banking and the sinking fund; and as it has been my constant practice, from the publication of

* In one volume 4to. printed for R. Baldwin, in Pater-noster-Row.

the first edition of "Every Man his own Broker," to pay attention to every improvement suggested by its Readers, I shall make no apology for introducing into this chapter, the following extracts from my other work; nor for annexing a supplement, highly interesting to every stockholder, from that part of my Elements of FINANCES, which treats of the system of stock-jobbing.

" I shall be very concise in my definition of Public Credit, because I imagine the subject is pretty well understood in this kingdom, where so many persons are concerned in its extensive operations.

" PUBLIC CREDIT, as it respects money transactions, and particularly the system of Finances, or the administration of the revenues of kingdoms, means no more, than that mutual confidence between government and the people, which enables the former to obtain, by disposing the latter to contribute, very large portions of their personal estates,

“ to supply the exigencies of the state,
“ on great emergencies; upon the strength
“ of obligations contracted and promised
“ to be punctually performed on the part
“ of government, at stated future periods
“ of time.

“ Our enquiries concerning the means
“ by which Public Credit, thus defined,
“ has been established in this kingdom,
“ lead us directly to the subject of bank-
“ ing, to which Public Credit, in all
“ countries, owes its origin, and we must
“ now consider them as blended, or rather
“ united by the following principle.

“ Whatever is established by the autho-
“ rity, and common consent of a nation,
“ to be the medium of their mutual ex-
“ changes with each other, is properly the
“ money of that nation. It may, there-
“ fore, consist of gold, silver, and copper
“ coin; or of paper; as bills of ex-
“ change, promissary notes, bonds, and
“ other securities for specie; all of them
“ answering one and the same purpose,
“ GENERAL CIRCULATION.

“ On this principle, banks of circulation were formed; being an improvement on banks for mere deposit.

“ And on the good faith of banks of circulation, together with a political application of the principle, and of the advantages arising from it, was planned the system of borrowing money on public, or national credit, in England. The faith of parliament having the same effect as the inviolate credit of banks; and being substituted in the place, that is to say, to supply the defect of amassed treasures, or of mines of the precious metals.

“ The general definition of a bank, means no more than a public repository for money, to be refunded on demand.

“ But banks on this limited scheme not being generally useful to commerce, improvements were made on this idea of depositing money in banks, at first only intended for the convenience and security of private persons: and the Italian banks very early opened a circu-

“ lation of specie, by discounting and ne-
“ gociating bills of exchange, and by pur-
“ chasing or lending money on bullion,
“ plate, jewels, and other valuable effects.
“ For the knowledge of this profitable
“ traffic, they were indebted to the Jews,
“ settled in Lombardy, who, partly for
“ their own convenience, and partly on
“ the principle of gain, assisted in the
“ establishment of banks of circulation.
“ In process of time, these banks acquired
“ additional strength, and new profits, by
“ means of their credit, which enabled
“ them to make their notes the medium
“ of their exchanges, and to issue them in
“ payment of demands on them, in the
“ room of cash.

“ In our dictionaries of commerce, you
“ may find an ample detail of the con-
“ struction of all the banks of Europe.
“ My subject requires an attention only to
“ two : the bank of Amsterdam, and the
“ bank of England ; the first having fur-
“ nished the outlines of, and the last sup-

“ ported the structure of public credit,
“ and of paper-money, in this country.

“ The bank of Amsterdam was founded
“ at the beginning of the last century; the
“ republic of Holland having already
“ viewed, with a wishful eye, the national
“ advantages arising to the states of Ve-
“ nice from their bank. They, therefore,
“ took the advantage of favourable cir-
“ cumstances—peace, commercial prof-
“ perity, and a redundancy of cash—to
“ form a bank, which was at once to be a
“ repository for money, and to supply its
“ place, in commercial transactions: for by
“ an ordinance, at the time of its esta-
“ blishment, the payment of bills of ex-
“ change, and of merchandize purchased
“ in wholesale quantities, must be made
“ only in assignments on the bank, which
“ cannot be refused; and thus millions
“ are circulated in a day, without the in-
“ tervention of the precious metals, by
“ simple transfers, or assignments on the
“ bank. But for the convenience of
“ strangers and of retailers, there are a

“ set of cashiers, out of the bank, who
“ are always ready to give cash for bank
“ assignments; and no sum is taken in at
“ the bank, from private persons, under
“ three hundred florins, about thirty
“ pounds sterling: by these means, there
“ is always specie enough current for the
“ purposes of common, domestic circula-
“ tion. And though this famous bank
“ does not avail itself of issuing notes of
“ credit, yet its reputation, through the
“ facility of its transfers, and the prevail-
“ ing notion of its vast treasures, real or
“ imaginary, was carried to such a height,
“ that it surpassed all other banks in Eu-
“ rope, till that of England began to flou-
“ rish; and, on account of its improve-
“ ment of the Amsterdam plan, gained
“ the preference.

“ William III. established the bank of
“ England, upon some of the outlines of
“ that of Amsterdam, with these material
“ improvements. No persons are con-
“ strained to pay, or to receive payment
“ in bank notes; the matter is left open,

“ free, and optionable, agreeable to the
“ genius of the British nation.

“ The original proprietors, or subscri-
“ bers to the fund which formed the ca-
“ pital of the Bank of England, had four
“ per cent. annual interest, from the time
“ of making the deposit; nor was the
“ whole principal sum ever called for, I
“ believe only eighty-five per cent. Thus
“ they have enjoyed *four* per cent. on a
“ nominal 100*l.* share; this has likewise
“ risen, by the profits of the company,
“ to *seven* per cent. besides which, their
“ original nominal 100*l.* share, has risen
“ to be worth 182*l.* and sometimes more:
“ whereas the contributors to the founda-
“ tion of the Bank of Amsterdam, have
“ never received any other profit, but
“ that of the rise and fall of the *agio*, on
“ buying and selling, which varies from
“ *three* to *six* per cent. I speak of the
“ public: what the States, or the direc-
“ tors may gain, is as great a secret as the
“ treasures of this bank; estimated by

“ some writers at twenty-eight millions
“ sterling, in gold and silver bars, and
“ specie. But Sir William Temple, a
“ very discerning writer, observes, that
“ there is no forming an adequate notion
“ of its real riches; for though they shew
“ a great quantity of ingots of gold and
“ silver, in a large vault under the town-
“ house, yet the sacks standing by them,
“ and said to contain coin, may, or may
“ not, as they are never inspected but by
“ the burgomasters. It is most likely,
“ the greatest part of their treasure is
“ ideal; and that King William was in
“ the secret, since he so readily pursued
“ the same principles of public credit in
“ England.

“ In every reputable bank, whose notes
“ on demand enter into circulation, the
“ same as specie, one-third of the amount
“ of their paper credit will always be a
“ sufficiency of coin to keep their cash
“ payments regular; and so long as mo-
“ ney can be instantly had for their notes,
“ these will always have the preference,

“ on account of the facility of transport,
“ and to avoid the time and trouble of
“ sale, in large sums.

“ But King William extended the Dutch
“ plan, by constituting annuities determi-
“ nate, and perpetual, as a consideration
“ for capital sums borrowed; and these
“ were made transferrable on the very
“ principle of the transfers of the bank at
“ Amsterdam.

“ This is the true origin of the funding
“ scheme; and the history of the genera-
“ tion of Brokers, bears the same date. It
“ is likewise remarkable, that their com-
“ mission for buying and selling is an
“ *eighth* per cent. exactly the same as is
“ taken by the agents of the bank assign-
“ ments at Amsterdam. But the misfor-
“ tune attending the funding system at
“ the Revolution, was, that want of affec-
“ tion, a diffidence of government, and
“ the fear of another Revolution, pre-
“ vented King William from profiting by
“ the plenty of money then unemployed

“ in the nation, and obliged him to tender
 “ very high interest, which opened the
 “ door to the excises that have been
 “ entailed on us, from the æra of his
 “ reign.”

Let us now proceed to the nature of the
 business of private BANKERS, which has
 considerably increased of late years, and
 the profits arising from it, been so allur-
 ing, that their number is more than dou-
 bled: indeed, if a check had not been put
 to their amazing increase, by the failures
 in 1772, it is probable that most of the
 monied men in the kingdom would have
 turned bankers.

The art or mystery of private banking
 was brought over to England by foreign-
 ers; some authors assert, by Italians.—
 The common business of these bankers
 was, the exchange of bills for money,
 whether those bills were inland, or foreign;
 which exchange, in case the bills were in-
 land, was then, and is still termed, dis-
 counting of bills. But when the bills are
 foreign, they are called bills of exchange;

because they are current in trade, and as good as cash; allowing only the common course of exchange betwixt the value of specie in the different countries, where the drawer, and the person drawn upon reside; and bankers being supposed to have a general correspondence in the commercial world, bills of exchange passing from one nation to another, most properly fall under their cognizance, as being the most convenient to them, who may frequently have occasion to remit money to several foreign parts, in the place of which, they can more profitably substitute these bills of exchange: thus it became most advantageous for bankers to buy them; and this branch of trade still forms a very considerable part of the business of some bankers.

Another article they formerly dealt in was, the buying and selling of bullion, and of wrought gold and silver, which I suppose gave rise to the uniting in one shop, the trade of a goldsmith and banker—for

we find most of the eminent bankers of the last century were goldsmiths. By the statute of the sixth of William and Mary, the Bank of England (which is no more than a corporation of bankers) amongst other privileges allowed them, are to deal in gold and silver, and may sell goods pledged to them, if not redeemed in three months. By length of time, and the increase of the national debt, the Bank, as well as private bankers, have changed, or totally laid aside many branches of their business; and the principal concerns of the Bank at present, are, the issuing of notes in exchange for specie; the keeping of gentlemen and merchants cash, which they are always ready to deliver on demand; the aiding and assisting the government in receiving contributions for public subscriptions; the keeping of transfer books open, as already mentioned; and the paying and distributing the interest of the several government securities. The first of these articles must greatly enrich the Bank as a corporation; for these notes are now de-

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servedly in the same repute as cash, in most parts of Europe, as well as at home; and people often keep them for a long space of time, sometimes for years, without exchanging them; and even then, they often exchange them with private persons.— Let us then suppose, that only the amount of 50,000*l.* of these notes, do not return into the Bank to be exchanged for specie, in less than six months after they are issued, the Bank, in this intrim, may make a very considerable advantage of the cash originally paid in for these notes, and this forms a part of their profits; to which must be added, discounting of bills, by which the Bank of England renders the most essential service to the merchants and reputable tradesmen in London, and, through their means, to the commercial interest of the whole kingdom.

Considerable gains likewise arise from cash left in their hands on open accounts; and from the sums allowed by government for the direction and management of the

public funds, and for occasional loans to government.

It is not, however, my design to make any calculation of these profits, which they merit, were they ever so great; for I think I may venture to say (without being charged with partiality as an Englishman) that the Bank of England is the best bank in Europe; and that no words can sufficiently express the just applause, which gratitude requires us to bestow on the prudence, discernment, and integrity of its directors.

Therefore, it is with sincere regret, I find it *now* indispensably necessary to record an occurrence which has had a tendency to call in question the wisdom of the present Directors of this renowned company. I mean, the temporary suspension of payments in cash, in exchange for their notes, payable to bearer on demand. The subject is of too great magnitude to be stated in a proper manner in this little manual; and it is the less necessary, the public being in possession of an excellent trea-

tise on that event, and on the whole management of the extensive business of the Bank, in all its various branches, intitled, *An Address to the Proprietors of the Bank of England*, by A. Allardyce, Esq. member of parliament for the city of Aberdeen*, and one of the proprietors of Bank Stock. I shall therefore only remark, that though the people of England have suffered no inconvenience whatever from this hazardous measure in their domestic transactions, it is much to be feared, that on the return of peace, bank notes will not be held in the same high esteem on the continent of Europe, where, to my knowledge, particularly at Brussels, Antwerp, and Ostend, they bore a premium in exchange for cash, from the years 1763, to 1775, when war was declared against the colonies of North America.

* See the third Edition of this interesting work in 4to. printed for W. and J. Richardson, under the Royal Exchange.

My reason for explaining the profits arising from the issuing of notes for cash, is only to shew, that these profits have induced private people to endeavour to put their notes upon the same footing; so that a principal part of the business of country bankers, in particular, is to deliver out their notes for cash; and from this arises a great part of their subsistence; for while these notes remain in particular hands, or can be circulated, so as not to return home for whole months together, these bankers enjoy the same privilege and profit as the Bank, in proportion to the notes they issue. — Similar profits arise from keeping people's cash. I have often been asked how any banker can find his account in permitting a Broker to put his money into his hands, perhaps on a Saturday afternoon, and draw it out, on the Monday morning following, since there is a certain expence, and loss of time without any apparent profit? In answer to which, let it be observed, that bankers do not, in general, consider the

profit they make on the account of any individual, but the gain upon the whole. —So that supposing a banker receives in any one day 60,000*l.* and is drawn upon only for 20,000*l.* the balance of cash remaining in his hands at five in the afternoon (the time they shut up) is 40,000*l.* and a broker's 1000*l.* contributes, as much as a gentleman's, to the forming this balance, which a skilful banker will know how to employ to advantage, if he has it only one day in his hands; but if, upon an average, a banker has 200,000*l.* in his hands, more than is called for, weeks together, it is easy to conceive, that such a man may soon make his fortune. Another, and perhaps as considerable, a branch of business as any, amongst the bankers near the Stock-Exchange, is, the taking various kinds of papers in pawn; such as Scrip. Omnium, Long annuities, East-India Company's warrants, &c. But this part of their traffic, it would take up too

much room fully to unravel in this little work; I shall therefore make only one remark, which is, that it is impossible to distinguish which are the most useful to each other; the brokers to some of the bankers near the Exchange, or these bankers to the brokers.

Of the nature of the SINKING FUND, I shall endeavour to give as concise and clear an idea, as possible.

SUBSIDIES and TAXES of various kinds constitute the FUNDS, on the credit of which immense sums have been borrowed, on condition that the capital shall not be demandable, but that a certain proportional part of the sum shall be annually paid, either as interest for the whole, or in extinction of part of the capital: when the sum annually paid, is no more than the interest agreed on for the loan of the principal sum, it is styled a perpetual annuity; when it exceeds the interest, and is designed to extinguish, by partial payments, both principal and interest, it is called a determinate annuity, and is

granted either for life, or for a term of years.

All sums of money that have at any time been raised by authority of parliament, for the public service, are to be considered as national debts contracted on the credit of certain taxes; various interests for which debts are annually paying to the public; and will continue to be so paid, till the said debts are redeemed, or paid off, by the same authority by which they were contracted: and to secure the payment of the said interests, the monies arising from several duties, and customs payable into the King's Exchequer, have been from time to time appropriated: thus we find in the reigns of King William, Queen Anne, and George I. the duties on coffee, malt, &c. &c. appropriated to the payment of life annuities, annuities certain, and annuities arising from lottery tickets.

The funding scheme commenced soon after the Revolution, and has hitherto answered the purpose for which it was com-

menced; the providing for the exigencies of the state in time of war, without the least impeachment or diminution of its credit; by supplying the place of amassed treasures, which were the resources of former times, for the extraordinary emergencies of great nations.

Experience has shewn, that taxes prudently laid on such articles as could well support the weight of them, have produced considerable surplusses; that is to say, they have become more than the absolute security engaged for, and have thereby induced foreigners, as well as natives, to advance their money on so safe a footing.

These taxes, thus made a security to the public for the loan of money, have always been deemed equal, if not superior, to mortgages on land; and may therefore, in this sense, with the greatest propriety, be called funds.

In our statutes, since the Revolution, various funds are specified; such as the East-India, South-Sea, Aggregate or Ge-

neral Fund, and the Sinking-Fund. Whenever the word Fund is applied to either the East-India, or South-Sea company, it means their Stock or Capital*, or such duties and articles of the public revenues as are appropriated to pay the interest due on such stocks, till redeemed by parliament.

The AGGREGATE fund, so called from its being a collection of many things incorporated into one mass or body, comprehends not only the several rates and duties reserved to pay and satisfy the interest due on the funds at the Bank, India, and South-Sea House†, but all the articles of the public revenue in general, except those that compose the King's civil list, which are about seventeen in number, consisting of tonnage and poundage, hereditary or temporary excise, letter mo-

* The words Fund, Stock, Capital, or Principal, are generally used at present, as synonymous terms.

† Vide 1 Geo. 1.

ney, fines of alienation, seizures, confiscations, proffers, compositions, &c.—But these civil-list articles are, by an act of the first year of the reign of his present Majesty, made a part of the Aggregate Fund; in lieu of which his Majesty, upon his accession, was graciously pleased to accept of the sum of 800,000*l.* per annum, and parliament has since added 100,000*l.* more, payable quarterly, out of the said Aggregate Fund, which, in fact, is a more certain and a better establishment for the civil list than the usual regal revenue, arising out of the peculiar articles above specified, which never produced the sum assigned for the maintenance of the dignity of the crown; and in consequence of their deficiency, several aids, at sundry times, were granted by parliament to his late Majesty, of ever glorious memory, to make good arrears and deficiencies due to the civil list account; all which trouble and confusion will be prevented for the future, by his Majesty accepting a certain annual sum, instead of the uncertain

produce of the articles formerly appropriated to the purpose of paying the civil list appointment.

Whatever surplus remains upon any, or upon all the rates and duties which constitute the public revenue, after payment of the interest they stand charged with, are carried to a separate and distinct account or fund, known by the name of the Sinking Fund.

Over and above the surplusses that have been carried to the Sinking Fund, great accession was made to this fund by the reduction of interest, (vide 23 Geo. II.) on the capital sum of £57,703,275:6:4½, which reduction produces annually, a saving to the nation of £577,032.

All the savings and surplusses were to be reserved and kept most sacredly, for the valuable purpose only of reducing, lessening, sinking (from whence the fund had its name), and paying off gradually the national debt. The first act, which relates to the application of these surplusses, is, 2d George I. anno 1716, at the

end of which is this remarkable clause, inserted here, because it is in reality the Origin, or Institution of the Sinking-Fund.

“ All the monies to arise, from time to
“ time, as well of the excess or surplus of
“ an act made this session for redeeming
“ the funds of the Bank of England, and
“ of the excess or surplus by virtue of
“ one other act, made likewise this session,
“ for redeeming the funds of the South-
“ Sea company; as also of the excess or
“ surplus of the duties and revenues by
— “ this act appropriated as aforesaid, and
“ the overplus monies of the said general
“ yearly fund by this act established, shall
“ be appropriated to the discharging the
“ principal and interest of such national
“ debts as were incurred before the 25th
“ of December, 1716, and are declared
“ to be national debts, and are provided
“ for by parliament in such manner as
“ shall be directed by any future act or
“ acts of parliament, to be discharged
“ therewith, or out of the same, and to

“ or for none other use, intent, or purpose
“ whatsoever.”

These surplusses of the general fund referred to in this act are, in all subsequent acts, called the Sinking Fund.

In consequence of these acts, only three millions of the national debt were paid off during the long and peaceable administration of Sir Robert Walpole; and in process of time, this well-intentioned clause of the act just recited, was evaded; and, in a word, made of no effect by subsequent acts, particularly 3 George II. £1,100,000 was granted out of the Sinking Fund for the service of the year 1729; and again 9 George II. £1,000,000 was granted for the service of the year 1735; by which act, says the ingenious compiler of the history of our national debts, “ the
“ Sinking Fund was not only diverted
“ from the original purport of its institution, but it was even anticipated; for
“ it was enacted, That before Lady-day,
“ 1736, a million should be issued out of
“ the same for the current service, and the

“growing produce, after that time, mortgaged for raising what should be wanting to complete that sum, by loans at four per cent.” But in order to save appearances, whenever any sum was issued out of this sacred Sinking Fund, it was to be replaced out of the next supplies. This issuing and replacing was the general practice, till the necessities of the State growing more and more urgent, the parliament granted his late Majesty several sums out of the said fund, and sometimes enabled him to borrow a certain sum or sums upon the credit of it; and in the late war, money was not only borrowed out of it, but the surplus was likewise made a collateral security to answer and supply all deficiencies of the taxes raised for the payment of the interest due on new national debts.

And this continues to be the practice in time of war, for we had an instance so late as the year 1781, of the sum of 190,000*l*. (gained by the reduction of 18,986,300*l*. old consolidated 4 per cent. annuities to 3 per cent. pursuant to the original agree-

ment,) having been applied to the service of that year.

Thus have I given a short account of the nature, establishment, and encroachments made on the Sinking Fund; and I hope what I have wrote on this head will serve to gratify curiosity, the only point I had in view; for the subject does not appear to me of much importance to the public in general, whose principal concern is, that the payment of the interest of the money borrowed of them is regular, and at the same time well secured; and that it is so, I hope no Englishman will doubt, who attentively considers the flourishing state of our manufactures and commerce, the true source of wealth; and which, while it continues to flow through so many channels, from the most distant regions of the habitable world, will furnish us with resources for the payment of the interest of a much larger sum; if it were necessary to raise it, than the whole of the present national debt; the amount of which, however, is so amazing, and so unexampled

in the history of the finances of any nation, ancient or modern, that it ought to find a place in this treatise, as it will serve, not only as a monument of the powerful credit of the British government, but will likewise account for the numerous taxes imposed on the present inhabitants of Great Britain, which were unknown to their progenitors.

CHAPTER VII.

Present state of the National Debt, both Principal, and annual Interest, distinguishing the gross Amount of each Fund, &c.

THE Commissioners appointed by the House of Commons to examine, take, and state, the public accounts of the kingdom, have pointed out and strongly recommended the necessity of making every subject in the kingdom well acquainted with the general state of the public accounts: on the strength of such powerful authority, I have judged it expedient to introduce in this place, a new, separate chapter upon this important subject. And that it may appear still more satisfactory to the reader, it must be remarked, that for some years before the sitting of the committee, Lord North, for reasons best known to himself, had put a stop to the annual publications of the state of the national debt, which used to appear

in our news-papers, by enjoining the clerks in office, not to issue copies of any public accounts: thus none but members of parliament knew the general state of the public finances. The reports of the committee are likewise voluminous and expensive, which was another inducement to insert such abstracts from them, as might enrich my little tract without any additional expence.

The Commissioners, in their *Eleventh Report*, observe, that the national debt is swelled to a magnitude that requires the united efforts of the ablest heads and purest hearts, to suggest the proper and effectual means of reduction. The nation, they add, " calls for the aid of all its members to co-operate with government, and to combine in carrying into execution, such measures as shall be adopted for the attainment of so indispensable an end: this aid the subject is bound to give to the state, by every other obligation, as well as by the duty he owes his country; and, with such general aid, the difficulties, great

as they appear, will, we trust, be found not insurmountable.

“ A plan must be formed for the reduction of this debt, and that without delay, now in the favourable moments of peace. The evil does not admit of procrastination, palliatives, or expedients; it presses on, and must be met with force and firmness. The right of the public creditor to his debt must be preserved inviolate; his security rests upon the solid foundation, never to be shaken, of parliamentary, national faith.—What can be done, the support of public credit, the preservation of national honour, and the justice due to the public creditor, demand should be done—it must be done, or serious consequences will ensue. The subjects of this kingdom are opulent, generous, and public-spirited; let the distresses of their country be fairly laid before them, —and they will contribute chearfully and liberally to her relief.”

In compliance with their advice, I shall now proceed to lay these distresses be-

fore the public ; but I confess with little or no hopes, that the opulent subjects, aware of the imminent danger to which their real and personal estates are exposed by the unprecedented state of the finances of the nation, will effectually set their shoulders to the burthen ; to diminish the great weight of taxes which bear so heavy on the community at large, that it will very soon be impossible to make their produce agree with the estimates of the Minister of the Finances ; consequently future attempts will be made to supply the deficiencies, and palliations, instead of a radical cure, must bring the financial disease to a fatal crisis.

The principal sums owing to the public creditors of the nation, and usually known by the name of THE NATIONAL DEBT, are very properly divided into *three* classes. The redeemable, and irredeemable *funded* debt, and the *unfunded* debt.

The redeemable debt consists of such principal sums, as the legislature, accord-

ing to the conditions specified in the several acts of parliament by which they were created, may redeem or cancel, without the consent of the proprietors of them, upon payment of the said principal sums, and all interest due thereon. The irredeemable debt consists of certain annual sums granted for a fixed number of years, which cannot be redeemed without the consent of the proprietors.

An example of each will explain the subject more clearly. The whole, or any part of the three per cent. consolidated annuities, may be redeemed or cancelled by paying off (at par, that is to say, 100%. in money, for 100%. capital) any given principal sum, together with the interest due thereon at the time of making such payment. But neither the Exchequer annuities granted for lives, with benefit of survivorship, nor the annuities payable at the Bank for a term of years, can be redeemed, unless it be by commutation, in paying a certain principal sum, with the

consent of the owners, in lieu of the annual annuities for lives, or for a number of years.

Both these classes of debts are called *funded* debts, because they have been carried to public accounts kept in books for that purpose, are transferrable, and have had funds appropriated by parliament for the payment of all the annuities annually growing due upon them, and from which they are regularly paid, in half yearly payments.

The third class, being the unfunded debt, consists of a variety of demands upon government remaining undischarged, but for which certain securities have been given by administration, till provision should be made by parliament either to pay them, or to pass them to account in some old, or new created *fund*. They are debts usually contracted in time of war, for provisions, ammunition, and stores furnished to our fleets, armies, and garrisons; and the securities given to the contractors are known by the names of

Navy and Victualling Bills, Ordnance Debentures, and Exchequer Bills, which being issued by authority of parliament, and thrown into circulation annually, till paid off, form another branch of the unfunded debt.

*A List, corrected to July 5th, 1798, of the
Principal Sums of all the Public Funds.*

	£.	s.	d.
BANK STOCK*,	11,686,800	0	0
5 per cent. funded Navy Debt,	28,121,289	15	8
5 per cent. Loyalty Loan, 1797,	20,250,000	0	0
4 per cent. Consols,	42,369,293	11	6
3 per cent. Consols, including 1798,	235,245,570	14	3½
3 per cent. Reduced, ditto ditto,	63,649,698	16	4
3 per cent. 1726,	1,000,000	0	0
SOUTH SEA STOCK,	3,662,784	8	6
3 per cent. S. Sea Old Annuities,	11,907,470	2	7
Ditto, New Annuities,	8,494,830	2	10
Ditto, 1751,	1,919,600	0	0
INDIA STOCK,	6,000,000	0	0
IMPERIAL, 3 per cent. Annuities,	7,502,633	6	8
IRISH, 5 per cent. ditto,	1,900,000	0	0
	<u>£ 443,709,970</u>	<u>18</u>	<u>4½</u>

DETERMINATE ANNUITIES.

Long Annuities for 80 years, from Jan. 5th, 1780,
Short ditto, for 30 years, from Jan. 5th, 1778, .
IMPERIAL, for 25 years, from May 1st, 1794, . .
IRISH, for 15 years, from March, 1794, and 13½ }
years, from September, 1795, }

* In some of the printed statements of this Stock, 11,642,400l. is the capital; but the sum of 44,400l. should be added, to give an accurate statement of the permanent debt of the government to the Bank. See Allardyce's Appendix, page 125, and 135.

HIS OWN BROKER. 223

Amount of the Annual Interest, (payable Half-yearly.)

	£.	s.	d.
Interest 7 per cent *,	814,968	0	0
.	1,406,064	9	9
.	1,012,500	0	0
.	1,694,771	14	10
.	7,057,367	2	5
.	1,909,490	19	3
.	30,000	0	0
.	128,197	9	1
.	357,224	2	1
.	254,844	18	1
.	57,588	0	0
10½ per cent.	630,000	0	0
.	225,079	0	0
.	95,000	0	0

.	978,255	19	2
.	418,333	0	11
.	230,000	0	0
.	34,704	3	4

- £ 17,334,388 18 11

* The Bank pays this interest to the proprietors on £11,642,400; and Government pays the Bank 3 per cent. on £11,686,800.

From the foregoing statement we must deduct the following capitals and annual interests, as not forming any part of the NATIONAL DEBT; though the faith of the British Parliament is collateral security for the Imperial Loans.

	£.	s.	d.
INDIA STOCK, . . .	6,000,000	0	0
SOUTH SEA STOCK, . . .	3,662,784	8	6
IMPERIAL LOAN, : . .	7,502,633	6	8
IRISH LOAN, . . .	1,900,000	0	0
	19,065,417	15	4
True state of the capital of the National debt, }	424,600,153	8	2½
See p: 222, . . .	£ 443,665,570	18	4½

ANNUAL INTERESTS to be deducted
from the general statement, page 223.

	£.	s.	d.
Interest $10\frac{1}{2}$ per cent.	630,000	0	0
$3\frac{1}{2}$ per cent.	128,197	9	1
3 per cent.	225,079	0	0
5 per cent.	95,000	0	0
Imperial 25 years annuity,	230,000	0	0
Irish, 15 and $13\frac{1}{2}$ years,	34,704	3	4
Difference between the interest paid by the Bank to the pro- prietors of its stock, and the interest paid by government to the Bank, }	464,364	0	0
True state of annual interest on the National Debt, }	1,807,344	12	5
	15,527,044	6	6
See p. 223,	£17,334,388	18	11

The unfunded debt is so complex, that it cannot be accurately stated, until one year, at least, after the happy return of peace.

The last *peace* establishment, by which is to be understood, the annual expences of government, civil and military, consisted of the following articles:

The King's civil list	£900,000
The Navy	1,800,000
The Army	1,600,000
Ordnance	348,000
Militia	91,000
Miscellaneous services	74,274
Increased plantation expences } and Hessian subsidy }	124,000
Total	<u>£4,937,274</u>

This sum, it is to be feared, considering the different circumstances of the nation, since the great changes in the state of Europe, and the extention of the French dominions, will not be sufficient

at a future period, especially in the article of Militia. Taking it however, on a moderate computation, at £5,500,000 0 0 and the annual interest }
of the national debt } 15,527,044 6 6

the total annual expence will be } £21,027,044 6 6

in time of peace; nor is it possible, at this instant, to foretel what addition may be required both of principal and interest, before the conclusion of this calamitous war; and to provide for the unfunded debt on the return of peace.

Under these extraordinary and unprecedented circumstances of the nation, The Commissioners for taking and stating the National Accounts, in their *eleventh* report, published in 1784, inform us, "That the resources of the country are so extensive, so various, and so productive, that a spirit of frugality, universally diffused and kept alive, cannot but be attended with the most powerful effects." They advise us,

“No longer to seek for shifts and subtleties to evade the payment of those duties and taxes, which the wisdom of the legislature has deemed the most eligible, and which the necessities of the state fully justify.”

But in another part of their report, they throw out a more rational hint, and indeed the only one, that, being adopted, can save this country from the inevitable ruin, which must be the consequence of raising the annual interest too high for the abilities of the people; an event which must take place, if the war should continue a few years longer, and the same system of finance is invariably pursued—let who will be minister.

“Every man *may* dedicate a portion of his income, or some share of his affluence, according to his faculties, to this great national object—let the produce of such a general exertion be wisely directed and faithfully applied, and this DEBT, enormous as it is, will begin to melt away.” Very true; and may I be per-

mitted to add, that the nation must look up to the great and wealthy subjects for salvation; it cannot be effected by the slow operation of appropriating *one million annually* to the reduction of *four hundred and forty-three millions*.

Who does not see, that one year of lengthened war, will swell the account again far beyond the sum reduced.—No: men whose incomes and affluence produce from 5 to 50,000*l.* a year, must contribute *gross sums* according to their faculties, to enable government to buy in large portions of this debt, while it is so much under *par*, that there will be a saving to the nation of nearly *Cent. per Cent.* “Let public benevolence take the lead of private interest—example may produce much, and must begin somewhere.” These are the words of the Commissioners—and I conclude this chapter, by foretelling, that it must begin with the class of men just mentioned: even if part of the estates of the great landholders should be sold for the purpose: they will be gainers

in the end, by parting with a portion, to save the residue, from that total alienation, which is the usual consequence of general revolutions in kingdoms, whether effected by foreign conquest, or domestic anarchy; with respect to the latter, I am clearly of opinion, that public pecuniary distress; may produce a temporary revolution in the affairs of a great nation, without any alteration in its political constitution.

Taxation may be carried to its *ne plus ultra*, when, like other human affairs, under similar circumstances, it must take a retrograde direction; but was this unfortunately ever to be the case with us, it does not follow, that the stability of our excellent constitution, as it is established in the King, Lords, and Commons, could be effected by the monied convulsions.

CHAPTER VIII.

On State Lotteries.—Arguments for and against them.—Advice to adventurers.—Exposure of Insurance, and other illegal schemes.

A LOTTERY is a kind of public game at hazard, which had its origin in Italy, as far back as the time of the ancient Romans, and continues in practice in that country, in France, Holland, and England, as a mode of raising money on easy terms for the service of the State. All commercial and political writers of reputation have condemned Lotteries as impolitic, and highly detrimental to trade. Conscientious Divines, Merchants, and Tradesmen of established credit in every age, and in every country where they have been countenanced, have publicly protested against them.

In justice therefore, to the wisdom and integrity of these men, we shall state the principles upon which they found their

objections to State Lotteries. Divines, and able politicians maintain, that they uphold the spirit of gaming in a nation, and occasion a general depravity of morals, by corrupting and vitiating the minds of the mass of the people, who, allured by the false hope of becoming speedily rich, and the example exhibited by some, who have occasionally become so, are seduced from honest labour and industry, to turn adventurers; to lose a great deal of time in watching the fate of their adventures, and thereby to become poor and indigent.

Merchants and tradesmen say, that they occasion bankruptcies and subordinate failures, in every commercial state where they are frequent. The wholesale tradesman, instead of paying his debts in due time to the merchant, risks considerable sums in the lottery, in hopes of gaining a capital prize, which will pay all his debts at once, and raise him to a state of independence.

The retail shopkeeper finds his book debts increase, and his ready money cus-

tomers diminish, because servants, and people in the middle and lower ranks of life, carry the produce of their labour and industry to the lottery-offices, instead of expending it to purchase the necessaries and conveniencies of life. The crouds that frequent our lottery-offices a short time before, and during the time of drawing the Irish and the State Lotteries, demonstrate the justness of this complaint. Girls with tattered gowns and cloaks, often without a shift under them; boys without coats; men, women, and children, with pallid, half-famished countenances, may be seen in many of them every evening; to use their own vulgar, but expressive language, "Flinging away good money after bad."

The corporation of London, at various periods, have petitioned the king and the parliament against frequent State Lotteries, and sometimes with success. But of late years, they have been annual, in time of war, and the alterations in the schemes have proceeded from bad to

worse, increasing the means of gambling, facilitating it more and more, and thereby vitiating in a greater degree the morals of the people, besides impoverishing them; and all this, without answering one beneficial purpose to government, which was not obtained by Lotteries upon the old plan.

But before we enter upon a discussion of the difference between the present and the former Lottery systems, it will be proper to lay before the public, all that our ministers of the finances, from Sir Robert Walpole to Lord North, could or can advance in favour of State Lotteries.

In time of war, when the value of money rises in proportion to the necessities of the State, government by means of Lotteries are enabled to keep down the rate of interest, and by borrowing money at lower interest, than they could possibly obtain it, without the assistance of Lotteries, do not contract so large a debt, to be entailed upon posterity for the payment

of the annual interest of the large principal sums raised every year.

If by issuing a ticket (for which government is paid 10*l.*) to a subscriber of 100*l.* to any loan, for which ticket adventurers in the Lottery will be induced to give 14 or 15*l.* the minister obtains the loan at one half per cent. less perpetual interest; a great saving to the nation is effected, for which government does not pay a shilling.

And as to the adventurers, it being a voluntary act, which every man has it in his option to perform or not, no injustice or oppression can be charged upon the institution of State Lotteries.

In proportion as the premium gained upon tickets, by the subscribers to the loans, lowers the rate of interest for the principal sum raised, so does it operate to lessen the quantum of taxes to be imposed on the people, for the payment of annual interest (perhaps in perpetuity) on the said principal sum.

The money laid out in Lotteries is taken from the purses of foreigners, as well as natives; it returns into the general circulation, and, except incidentally some capital prizes pass into the hands of foreigners not residing in the British dominions, it remains at home.

With respect to the morals of the people, it is well known that the system of policy, in the best regulated governments, must occasionally deviate from the direct line of moral rectitude.

Finally, as to the complaint of impoverishing some people, and making others bankrupts; if the State is not impoverished, by the loss of any valuable branch of its commerce, or by the emission of its specie to foreign countries, never to return, it matters not, in the idea of a great statesman—whether Peter is poor, and Paul rich, or Paul poor, and Peter rich, provided both reside in Britain, and that the money that passes from one to the other, is not buried under ground, but thrown into the general circulation.

Admitting the political truth of these propositions, it must still be allowed, that State Lotteries are resources, which ought not to be made use of when others more eligible can be found; and that when they are absolutely necessary, those plans or schemes should be preferred, which confine this public game at hazard, within the narrowest possible limits, and do the least injury to trade. Care should likewise be taken that collateral games, partaking of the nature, and producing all the bad effects of those *private Lotteries*, which have been suppressed by acts of parliament, in every reign from the Revolution to the present time, should not be set on foot by Lottery-office keepers, - upon the basis of the State Lottery.

In defiance of law, and sound policy, this is still done clandestinely, and was the practice publicly till the year 1782. To expose the fallacy and deception of those illegal games, whether denominated CHANCES or POLICIES, and to advise adventurers to follow the regular line of ad-

venturing, under the sanction and security of parliament, is the design of this chapter.

With this view the difference between the old Lottery schemes and the present, which with little variation has been the plan for about ten or twelve years past, must be briefly stated.

— Upon the old plans which prevailed from Sir Robert Walpole's administration to that of the Duke of Grafton, the tickets in the State Lotteries were issued at ten pounds each—and occasionally the subscription was open to the public at large—The highest prize was 10,000*l.* and the lowest 20*l.* there were from four to six blanks to one prize, and the blanks entitled the bearers to five, or six pounds stock, in three, or four per cent. Bank annuities, the value of the blanks and prizes being generally funded. The office-keepers divided the Tickets into **SHARES** and **CHANCES**. — Shares entitled the bearers to the proportion they had purchased of blanks and prizes, chances to prizes only,

that is to say, they had no return, if the ticket was drawn a blank. The office-keepers purchased the blanks and prizes drawn, according to the value of the annuities into which they were to be funded; and this caused a continuation of other legal business, some months after the drawing was over.

The tickets according to the advantage or disadvantage of the scheme, in respect to the number of blanks to a prize, and the number of high prizes, generally sold at from 11 to 12*l.* before the drawing.—When the ticket sold for 11*l.* and the blank was intitled to 6*l.* in 3 per cent. annuities, as the blank might be sold for 5*l.* 10*s.* ready money, when 3 per cents. were at 90*l.* the adventurer only played at *this public game* of hazard, at the risk of 5*l.* 10*s.* And at the highest calculation when tickets were worth 13*l.* he never staked more than 7*l.* 10*s.* for a ticket before the drawing.

But when the Duke of Grafton became minister of the finances, he brought into

office with him, the gaming ideas of Newmarket—all or nothing was the plan, ten thousand pounds to a man in high life would not re-establish his affairs—but twenty thousand was an object.

Instantly, the old Lottery plans were exploded—Two prizes of 20,000*l.* each—and four of 10,000*l.* (instead of two) with an increase of other capital prizes, and no return for a blank, was the new scheme. The tickets were issued as usual to subscribers to the loan for the year 1767, at ten pounds, but they rose at market to 12*l.* 18*s.* Each adventurer of a whole ticket was then first set to gaming for 12*l.* 18*s.* (the price to which tickets rose, before the drawing) instead of six or seven guineas. This first Lottery in which the whole sum paid for a ticket by the adventurer was risked, was voted by parliament on the 16th of April, 1767, and on the 16th of September following, Lord North was appointed Chancellor of the Exchequer: his lordship, therefore, is not the father of this new plan, but he has made

it his adopted child. For the very next year, the same scheme was made part of the ways and means of raising the supply. All his Lordship's Lotteries, followed the same outline, with some variations, which favoured the holders of tickets and the Lottery-office keepers, and expanded the spirit of gaming: such as making the first-drawn ticket, every day, for seventeen days, a capital prize of 1000*l.* or more, which enhanced the price of tickets, and encouraged persons who had drawn blanks to buy in again. But in return for this, he established wise regulations for securing adventurers who buy shares under the regulations of the acts of parliament, first made during his lordship's administration, which oblige all lottery-office keepers to deposit the tickets they divide into shares, in the Bank, and to have the said shares examined and stamp'd, by the proper officers there. The precedent has been followed by Mr. Pitt; and none but the usual divisions of tickets into *Halves*,

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Quarters, Eighths, and Sixteenths, (which have been in practice upwards of fifty years) are subject to the regulations of the act of parliament, for the State-Lottery to be drawn in February 1799.

All other subdivisions, or chances, by whatever name they may be described, are neither protected, nor secured by law. They depend entirely upon the honour of the office-keeper, for there is no law to oblige him to pay the prizes, according to the promises he publishes. Besides, every person who games in a Lottery, should do it upon principles of the smallest risk, and the greatest prospect of gain. By purchasing the regular shares of a ticket, these principles are observed; but in purchasing unsecured, illegal chances, and policies, the greatest risk is run, for the smallest prospect of gain.

It is needless to enter into arithmetical calculations, to shew the fallacy of all those schemes; instead of perplexing the reader with them, I shall subjoin abstracts from the act of parliament constituting the

Lottery for the year 1789; and which was made perpetual, so far as regards the new regulations for the conduct of office-keepers; by which it will be apparent to every common capacity, that the sale of any other shares, besides those authorised by the said act, is illegal, and, of course, that the adventurer cannot recover his money from the office-keeper, should he think proper to refuse payment of any prize, small, or capital.

Sec. 39. "No person shall sell the chance, or chances of any ticket, or any share for any time, less than the whole time of drawing, from the day of sale.

"Nor shall receive any sum of money whatsoever, in consideration for the repayment of any sum, in case any ticket shall prove fortunate, or in case of any chance, or event relating to the drawing, either as to time, or its being fortunate; nor shall publish proposals for the same; under the penalty of 500*l*. one half to be paid

to the person suing for the same, the other moiety to his Majesty."

Sect. 47. " Confirms the same, and the shares into which tickets may be divided, are confined by the Act to Halves, Quarters, Eighths, and Sixteenths; such, and such only will be examined to prevent the mistakes of office-keepers or their clerks, in making them out, and being compared with the original tickets, will be stamp'd, and the tickets deposited in the Bank for the security of adventurers purchasing such shares.

Sect. 56. " Office-keepers, selling chances or shares not stamp'd, are subject to a penalty of 50*l*. one-third to be paid to the informer, another third to the poor of the parish, and the remainder to his Majesty."

Policies, or chances therefore cannot be stamp'd, and those who purchase them game illegally, extravagantly, and under the greatest risk of not being paid the prizes they may draw.

I need add only a few words concerning the fraudulent insurances, which are clandestinely carried on during the drawing of every Lottery. In the first place, the calculation is always 25 per cent. in favour of the persons who keep these offices; so that the poor deluded creature who insures a number, pays a *shilling* to play for *nine-pence*; secondly, if he wins, he is not sure of being paid; lastly, the chances are considerably in favour of the offices during the first half of the time the Lottery is drawing; and afterwards, the price rises so high, that the insured are unable to continue, the consequence is, that all the money they have paid in, is lost.

CHAPTER IX.

Rules for judging of the Rise and Fall of the Prices of the Public Funds, founded on rational Principles; the result of close Application to the Subject, &c. — To which are annexed, sundry articles of useful Information, in a new Appendix—See No. 1, 2, 3 and 4.

“IT is too late to waste our time in speculative enquiries, concerning the good or bad policy of naturalizing the system of public credit, now arrived to such perfection in England. Established as it is, and its national utility having been so long experienced, it is become the unquestionable duty and interest of every man of property in the kingdom, to support it. He therefore who undermines it, in the smallest degree, by artifice or fraud of any kind, should be considered as an enemy to the welfare of his country.

“ Let those jobbers then, who contrive to sink the value of the funded property of the kingdom, by cunning devices, be considered as bandittis of thieves, who live upon the booty they acquire, by plundering those, whose private occasions oblige them to carry their funds to market, of part of their property: and that you may be enabled to form a just opinion of the fluctuations in the funds, and to discover when these public robbers are at work, I will state the principal causes which alone ought to operate any great diminution of the market price, at any given time whatever. If no such causes subsist, be on your guard, and let nothing but extreme necessity induce you to sell; for you may be assured the BEARS are lying in wait to devour your substance.

“ I shall divide the chief causes which naturally contribute to lower the price of the funds, into two classes; those which happen in times of war, and those which occur in times of peace.

“ With respect to the first, it has already been noticed, that in proportion as the demands of government increase, the interest of money will rise; and individuals, from a prospect of employing their money more advantageously in new loans, will sell out of the old funds, especially those which bear the lowest interest. This will happen as early as possible, because the advantage will be greater; therefore, speculators will crowd to market as soon as they have intelligence of a rupture with any considerable foreign power, that they may sell before the fall increases. The difficulty therefore, will be, to distinguish between rumours of war, and the actual approach of this national calamity: and there can be no surer guide in this case, than an impartial scrutiny into the political situation of our country. The state of its commerce, and of its revenues, the character of its prince, and his ministers, compared with the same circumstances in the nation with whom a war is expected, will, in a great measure, de-

termine what degree of credit we ought to give to reports of an unavoidable rupture.

“ In the dispute with Spain, about the seizure of Falkland’s Island, I had the honour to be consulted by several gentlemen of rank and fortune (some of them foreigners) who were not in the channel of court intelligence; and I ventured to assure them, that, considering the political circumstances of the nation, the object of the negociation was not of consequence sufficient to involve us in war; and though I readily allowed, that to take off the rudder of a king’s ship, was almost as great an indignity, as to strike the monarch, or his ambassador, a blow on the face, yet I demonstrated, to their satisfaction, that we were not in a condition to go to war for points of honour, or solely to gratify national resentment. The same sentiments I repeated publicly in my lectures; and I had the satisfaction to dissuade seve-

ral of my friends from selling out of the funds, upon that occasion.

“ If the events of war are unsuccessful, and we lose valuable settlements abroad, the funds will fall, from a concurrence of sellers, many of them merchants, who depended on remittances from the conquered places, and for want of them are obliged to part with their funded property. The apprehension of more misfortunes will likewise engage others in the same measure.

“ Powerful alliances formed against the interest of the kingdom, having a tendency to endanger its political existence as an independent state, will affect the funds; for the public defence must require unusual supplies; which increasing the value of money, by the great demand for it, will lower the price of the old funds.

“ But an actual invasion of a foreign enemy, is the most to be dreaded. For the universal panic that such an event

would occasion, no adequate remedy can be prescribed; because men will naturally make use of the liberty this free country gives them, and withdraw their persons and property, with the utmost expedition, from the seat of war. The value of the funds, in this case, might sink near fifty per cent. in a few days, owing to the vast concourse of sellers; and probably nothing would prevent a total cessation of the market for them, from the want of purchasers, but the patience, fortitude, and discernment, of a few opulent individuals, who would take this opportunity to buy, actuated chiefly by the hopes of great gain, and, in some measure, by just reflections on the uncertain issues of war; the storm may subside; and public tranquillity being restored, the funds will recover their full value: besides, as members of the community, we must submit to its fatalities.—If we have patience, some would say, and do not part with our property in the funds, the state of affairs may alter,

and we shall not be losers : others might reflect that, at such a crisis, if they had near and dear connections which prevented them from leaving the kingdom, they would be subject to the same inconveniencies with cash by them, if not more than if they remained proprietors of the funds : for in the time of the great civil war, men were obliged to bury their money and plate, and they generally passed to other possessors ; the families which concealed them, being torn from the place by the hand of violence ; or the person actually depositing them, taken off by death. The history of every country, where foreign conquest, or intestine commotions have produced temporary revolutions, furnishes instances of treasures concealed, lost, and sometimes not discovered for ages after these events.

“ Nor would the possessors of land be in a better situation than the proprietors of our funds, in case of a revolution from either foreign, or domestic causes ; it being well known, that landed estates are

always bestowed, as rewards, on the victorious chiefs.

"I am, therefore, clearly of opinion, that even in times of public distress, should every thing seem to threaten a suspension of the regular payment of the dividends, funded property is the last to be parted with.

"I know of no events, in the course of human affairs, besides those already mentioned, which ought to affect the value of the funds in times of war, so as to lower the current price considerably. But several circumstances may contribute to advance it; such as signal successes, the return of great treasures taken from the enemy, and the approach of peace. The two first, however, are only to be considered as adventitious events; a reverse of fortune, or an extra-demand for money, may, in a few months, reduce the enhanced value: but the last, is a sufficient cause for a gradual rise, in proportion as the value of money diminishes, from the great demand for it ceasing.

“ Let me now state the principal circumstances which ought to have any considerable influence on the funds in time of peace ; and give me leave to premise, that when the nation enjoys perfect tranquillity, when there is no sudden large demand for money, nor any considerable sums in specie poured into the kingdom, no variation beyond two per cent. in the price of the funds ought to take place ; if it does, independent of the following causes, be assured it is artificial, and a trick of the Brokers.

“ Orders from foreigners to vest very considerable sums in the funds, at any stated time.

“ The return of great wealth, derived from our Asiatic commerce and territorial jurisdiction ; or of immense fortunes acquired by individuals, in the administration of the Company's affairs in India.

“ A steady, judicious, uncorrupt, and economical administration of the revenues of the kingdom ; a general good understanding between every branch of go-

vernment and the people ; with a prospect of the duration of peace, and of such a ministry, so that the value of money must fall daily : these are the chief events which may make the funds rise considerably from the concurrence of purchasers, who will find no other channels open for employing their money, to equal advantage.

“ The funds are equally liable to sink considerably beneath the market price, if any of the following unhappy occurrences disturb the peace and security of the kingdom.

“ The dangerous illness, or sudden death of the reigning prince.

“ A disunion of any of the branches of the three estates of the kingdom.

“ The advancement, to the highest offices in the state, of men of weak minds, corrupt hearts, and debauched manners.

“ A general mistrust and want of mutual confidence between administration and the public at large ; causing mutual complaints and reproaches, and engendering parties and divisions, which tend to ru-

mults, popular insurrections, and civil wars.

“ A stagnation, or considerable failure of private credit ; and earthquakes, inundations, or fires destroying any part of our commercial settlements, by which our merchants at home are so distressed for want of remittances, that they are obliged to part with their property in the funds, to supply the defects.

“ Lastly, a dearth of provisions, or the plague ; both of which would cause considerable migrations of independent people of property.

“ If any other contingent public calamities should hereafter occur to the minds of any future proprietors of the funds, let them use their own discretion in applying them : at present, I shall only lay down one general rule for the conduct of those who are, and of those who may be disposed to become proprietors in the funds.

“ Watch attentively the real value of money ; I mean, what interest it will bear on the best landed security in the king-

dom: and if you find, by examining the prefixed table, and comparing it with the prices of the several funds published daily, that most of the said funds are at present considerably under the par of the general rate of interest, let those who have property vested in them, avoid selling out, and those who wish to purchase, lose no time.

“ In a word, I cannot too strongly caution my fellow-citizens against idle rumours on the state of public affairs at home, or abroad, nor too often enforce this observation: “ That the jobbing Brokers, “ and their principals, the whole body of “ jobbers, must live; and as their subsistence depends on your false hopes and “ fears, they must form interested schemes “ to deceive you, or starve; for frequent “ variations in the prices of the funds, are “ their proper aliment.”

THE DARK FLICKER

The first of these is the fact that the
 Government has been unable to secure
 the necessary funds to carry out its
 policy of non-interference. This is
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 to secure the necessary funds to carry
 out its policy of non-interference.

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APPENDIX.

No. I.

*Holidays kept at the Bank and other Public
Offices.*

January 1, 6, 18, 25, and 30.

February 2, and 24.

March 25.

April 25.

May 1, 18, and 29.

June 4, 11, 24, and 29.

July 25.

August 12, and 24.

September 2, 21, 22, and 29.

October 18, 25, 26, and 28.

November 1, 4, 5, 9, and 30.

December 21, 25, 26, 27, and 28.

APPENDIX.

The moveable Holidays are,

Asb-Wednesday, Good-Friday, Easter-Monday, Easter - Tuesday, Holy - Thursday, Whit-Monday, and Whit-Tuesday.

N. B. The dividends, on other days are paid, when due, from the hours of 9 to 11, and 1 to 3, on all the funds, except 3 per cent. consols, which on account of the magnitude of the capital, and the consequent great number of persons intitled to dividends, are paid from Nine in the morning till Three in the afternoon.

✶. The dividends on INDIA STOCK are paid from 9 till 2, except on Saturdays, when both transfers and payment of dividends end at noon.

APPENDIX.

No. II.

Expences on transacting Business in the Funds.

Letters of attorney for transfers, receiving of dividends, &c. } in all the offices,	0 11 6
Registering a will,	0 2 6
Transfer of Bank Stock,	0 12 0
Ditto of India Stock,	1 4 0
Ditto of South Sea Stock,	0 14 3
If under 100l.	0 11 9
For transfers made out of the office hours of transacting } that business,	0 2 6
But for S. Sea Stock, over and } above the usual expence,	0 3 6

In all the other funds, the transfers are made gratis, between the hours of *eleven* and *one*, on the days indicated in the table, p. 5, except when the books are shut for the half yearly dividends.

APPENDIX.

No. III.

Miscellaneous Information.

UPON the death of any person, having property in the funds, the whole, or any part of which he has bequeathed in trust, or legacies; the executors must leave the probate of the will in the office or offices of the fund or funds in which the property is vested, until it is registered by the proper officer; after which, the executors may accept and transfer to the legatees; and since the act of parliament for imposing a stamp duty on legacies, no executor can pay a sum of money in lieu of a legacy in the funds: the sum bequeathed must be actually transferred; and the executor is responsible for the duty at the Stamp-Office, if the legatee neglect it; for no executor or administrator can obtain a discharge from his trust, till the stamp duties are paid on all the legacies contained in the will.

A partnership, or joint interest in property vested in the funds, may be made for

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the benefit of the survivors, by giving in the joint names of the parties, when the transfer is to be made by purchase; and the property so vested will pass to the survivor or survivors, upon authentic proof being registered of the death of any of the parties, without any deed, will, or other written document whatever.

General trust-accounts require a different management.

The joint-property is vested in the names of the trustees (for instance) of *The PELICAN LIFE INSURANCE COMPANY, of Lombard-street, in the City of London*; and after the acceptance is signed by all of them, any one of them therein named, may receive the dividends, or add to the capitals, but two or more ought to attend and sign their names to transfers for selling out. And by 36 Geo. III. "it is enacted, that when funded property stands in the names of trustees, who become bankrupts, are declared lunatics, or are absent from the kingdom, or out of the ju-

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jurisdiction of the courts of equity, or shall unjustly refuse to transfer the property so vested in them—in any, and all such cases, the court of equity can order the stock to be transferred, either into the name of the Accomptant General of the Court of Chancery, or into that of the Deputy Remembrancer of the Court of Exchequer in trust, or to the other parties entitled to the same. Or if one trustee becomes a bankrupt, or a lunatic, or that it is uncertain if he be living, and the others are willing to act, an order may be obtained empowering them to transact every business relative to the said stock. The assignees of a bankrupt, under an order from the Lord Chancellor, may transfer the bankrupt's stock into their own names."

But let it be remembered, that no TRUSTEES, are acknowledged as such, in the books at the Bank: their names stand therein, simply as private individuals; and it is only in the cases recited in this Act, that their authority for transferring the funds, vested in their names must be produced.

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BANK STOCK *. A proprietor of 2000*l.* is qualified to be chosen a Director. To be Deputy Governor 3000*l.* Governor 4000*l.* To vote at all elections for governor, deputy governor, or directors, the possession of 500*l.* stock in their own right, six calendar months previous to such elections, purchased *bona fide*, not acquired by bequest, marriage, or any other collateral right.

SOUTH SEA STOCK. Persons actually possessed of 500*l.* in this fund, six months prior to any election, are entitled to *one* vote at the elections of governor and directors; to *two* votes if possessed of 2000*l.* to *three* votes for 3000*l.* and to *four* votes for 5000*l.* as aforesaid.

* There are at present about 2,500 proprietors, of whom 4 or 500 are foreigners, residing at Amsterdam, Rotterdam, Antwerp, Brussels, Frankfurt, Switzerland, and other parts of the continent. See Allardyce, page 12.

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The qualification for a director is 2000*l.* for deputy governor 4000*l.* and for sub-governor 5000*l.*

INDIA STOCK. Proprietors of 1000*l.* in their own right, have *one* vote at all elections, and upon all questions put to the vote at general courts of the proprietors—~~two~~ votes for 3000*l.* ~~three~~ votes for 6000*l.* and *four* votes for 10,000*l.* but the actual possession must be proved by the books, full *twelve* calendar months preceding the elections. For chairman, deputy chairman, and directors, the actual possession of 2000*l.* is sufficient without limitation of the time of holding it.

WILLS, in which bequests of BANK STOCK are made, must be attested by three witnesses, the same as for the disposal of estates in land.

* * * This is inserted in direct contradiction to one HALES, who in a contemptible pamphlet, called *The Bank Mirror*,

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or a *Guide to the Funds*, (the only intelligent part of which, is *pirated* from the last edition of Every Man his own Broker,) ignorantly asserts, under the article of Wills and Testament—"that
" a Will bequeathing only personal estates, or effects, requires *no witnesses*."

APPENDIX.

No. IV.

*Directions to Strangers to find the several
Public Offices without difficulty, or delay.*

THE BANK.

Entering at the front gateway in Thread-needle-street, facing Bank-buildings, Cornhill—you will see glass doors directly opposite, across a small court—they open into the GREAT HALL, for transacting the common business of a banking-office, such as paying in money to be carried to account, and issued on demand; delivering notes for cash, or cash for notes: exchanging old for new notes; smaller for large, and the reverse—giving notices of notes lost or stolen—discounting of bills of exchange, &c.

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If your business does not lie in that department, do not cross the court in a direct line, but look to the right angle, where you will see painted over a door, in large letters, the words

TRANSFER-OFFICES:

This door leads to a passage, in which there is a small door on the right hand, inscribed, *Office for unclaimed Dividends*. Proceeding along the passage, it opens into a rotunda, where the Brokers prepare their business, previous to transacting it in the several offices.

On the right hand, over large glass doors are painted, the words

3PER CENT. CONSOLIDATED ANNUITIES.

And in that office, is a door, inscribed *Dividend Warrant Office*, leading to an interior apartment where the dividend warrants are delivered.

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On the left side, is the office inscribed—

4 PER CENT. CONSOLIDATED AND,
5 PER CENT NAVY.

Passing through the rotunda to an arch opposite to that by which you entered it, you may proceed to a passage which opens to Bartholomew-lane.

On the left in this passage, is the office inscribed,

BANK STOCK, LONG ANNUITIES, IMPERIAL ANNUITIES, IRISH ANNUITIES, AND 5 PER CENT. 1797.

N. B. If you enter the Bank from the great door in Bartholomew-lane, the situation of the aforesaid offices, will be reversed with respect to right and left.

Returning back to the first court mentioned in these directions, and placing yourself in the same situation as at your first entry, you will observe in the centre of the left side of the court, a large por-

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tal, over which these words are conspicuous,

REDUCED ANNUITY OFFICE.

and on a side pillar,

3 PER CENT. 1726, and ANNUITIES
for 28 years.

To these offices you pass along the side of a pretty garden; and on the left, before you enter them, there is a small door inscribed *CHEQUE-OFFICE*, but this does not concern the public, it is an office for checking the dividend warrants, before and after they are paid.

Again, supposing you placed in the court as before—In the left angle there is an office, over the door of which is inscribed,

DIVIDEND WARRANTS ARE PAID HERE.

N. B. The warrants are issued from the respective transfer offices, or in the offices adjoining to them. And the departments for letters of attorney and registering of wills, are inscribed on the walls in the said offices.

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SOUTH SEA HOUSE:

On entering the great door in *Thread-needle-street*, adjoining to *Bishopsgate-street*, you will find yourself in a handsome court, and under lofty colonades, following which to the left corner of the court, you will see opposite you, over a door these words,

SOUTH SEA STOCK, *and* NEW ANNUITIES
TRANSFER OFFICE,

and near it, again to the left, an arch leading to a stair case, at the top of which, on the right hand, you will observe a door with this inscription, for WILLS AND LETTERS OF ATTORNEY; but if you have no business there, you must pass straight on to a long gallery, the left end of which has a door with this inscription,

OLD ANNUITIES *and* ANNUITIES, 1751,
TRANSFER OFFICES.

APPENDIX.

The dividend warrants are issued in the transfer offices of the respective funds— But they must be carried for payment to the treasury office, which is nearly at the other end of the gallery, on the left hand—TREASURY is painted over the door.

INDIA HOUSE.

You must pass through a long and rather obscure passage, from the front door in *Leadenball-street*, which opens into a small court, and nearly opposite to this opening, on the left hand, you will notice the words TRANSFER OFFICE, over a door leading to a large office, in which India Stock is transferred, and the warrants for the dividends are delivered; which must be taken for payment to the Treasury Office, the first door on the left hand after you ascend the great stair case. The word TREASURY is painted over the door.

FINIS.

ERRATA.

Page 240, last line, *erasc* has.

By depending on the authority of T. Fortune,
Stock Broker, in his "Epitome of the Stocks,"
published in 1797—In the Table of Expences
on Transfers of South Sea Stock, APPENDIX,
No. II. for 14s. 3d. *read* 12s.—and for 12s. 6d.
read 9s. 6d.

In APPENDIX, No. III. second Page, for, by all
of them, *read*, three or four.



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